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USSR Report

CONSUMER GOODS AND DOMESTIC TRADE

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11 October 1985

USSR REPORT

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

USSR-CEMA COOPERATION PROGRAM IN LIGHT INDUSTRY DETAILED

Moscow PLANOVOYE KHOZYAYSTVO in Russian No 6, Jun 85 pp 112-118

[Article by L. Kosikova, scientific associate of the Economics of the World Socialist System Institute and candidate of geographical sciences: "The Foreign Economic Aspect of the Comprehensive Program to Develop the Production of Consumer Goods and the Consumer Services System"]

[Text] One of the main goals of the social and economic policies of the CPSU is a steady rise in the workers' welfare, including consistent improvements in providing the Soviet people with various consumer goods. The Comprehensive Program to Develop the Production of Consumer Goods and the Consumer Services System for 1986-2000 is now being worked out. Implementation of the broad range of coordinated measures outlined in the program will make it possible to bring the fulfillment of the Soviet people's demands to a qualitatively new level.

Soviet industry will play a major role in the successful realization of this program. Already in the current five-year plan more than 2000 additional associations and enterprises have joined in the production of consumer goods. The most important tasks belong to light industry, which includes 28 different sectors and types of production, and accounts for 56 percent of the consumer goods produced in this country for nonproduction purposes. Enterprises in heavy and local industry are also making significant contributions to the growth in the production of consumer goods.

A considerable amount of work has already been done and is being done now: between 1973 and 1983 the production of light industrial goods in our country increased by a factor of 1.5¹, and the production of cultural, personal, and household articles doubled. In the current five-year plan shortages of a whole group of articles were eliminated. There was a significant increase in the production of bed linens, children's clothing, china, and furniture.² There was a substantial increase in the household appliances provided to the Soviet people: for every 100 families there are now 92 televisions, 89 refrigerators, and 70 washing machines, while in 1960 these figures were 8, 4, and 4, and in 1970, 51, 32, and 52, respectively.³ It will be impossible in the future to provide the Soviet people with a high level of basic goods in this group without a renewal of the product assortment with a new technical base in the corresponding sectors of industry, since the consumer demand is shifting toward improved, high-quality products and goods that are more

reliable and convenient to use, with an interesting appearance that corresponds to the interiors of modern apartments. Another issue is the development and mass production in domestic industry of fundamentally new machinery and equipment for domestic needs: video recorders and video player equipment, dishwashers, electronic household appliances with a wide range of uses, several types of small-scale equipment, including machines for cultivating private plots and gardens.

In addition to the mobilization of all internal resources and the inclusion of a wider group of enterprises and associations in various sectors of the national economy in the production of consumer goods, foreign economic ties and utilization of the advantages of the international division of labor can make a tangible contribution to the successful fulfillment of the measures included in the program. Expansion of mutually beneficial trade, production, scientific and technical cooperation between the USSR and the foreign countries involved could provide more complete fulfillment of the public's demands for high-quality consumer goods, an improved assortment of goods, accelerated introduction of fashionable new products into production, and more widespread incorporation of advanced foreign methods used to organize the production and sale of these goods.

Further attraction of foreign resources will make it possible to carry out a number of the planned measures in a shorter period of time, and to reduce the consumption of resources. In connection with this it is important that the foreign economic section of the program be worked out carefully, and that both the long-range strategic goals of cooperation in the given industrial complex for the entire duration of the program and the specific immediate measures be clearly defined.

Relations with CEMA member countries--our main trade partners--play a special role in the system of the USSR's foreign economic ties in the area of consumer goods. Every year in the current five-year plan the Soviet Union has been importing consumer goods valued at 6-6.5 billion rubles from fraternal countries, which represents approximately 75 percent of the Soviet imports in this group of goods. European CEMA member countries supply the USSR primarily with products of light industry, and they purchase durable goods, various household appliances, and raw materials and semimanufactures for light industry.

The Soviet Union has an interest in achieving a maximum increase in the import of high-quality consumer goods from socialist countries. A fundamental accord on the further development of cooperation in this area was achieved at the CEMA Economic Summit Conference (held in Moscow in June 1984). The conference documents outlined the basic directions for cooperation among the fraternal countries to develop the production of consumer goods and the mutual exchange of these goods: strengthening the raw materials base, technical retooling and modernization of the corresponding sectors of industry, increasing the output of goods for mutual supply, expanding cooperation in the production of durable goods, and expanding the exchange of high-quality consumer goods.

Practical implementation of the provisions agreed upon at the meeting is one of the most important goals in the coordination of the national economic plans of

CEMA member countries for the period up to 1990. It has been noted in the press that the Soviet Union, experiencing a shortage of investment funds to develop sectors in group "B", in the service sphere, and several sectors of machine building, could work with other socialist countries in the near future to carry out an economic maneuver that would make it possible, in exchange for fuel and raw materials, to obtain larger volumes of products of equal economic importance, including food, industrially produced consumer goods, lightweight chemical and construction materials, and technically sophisticated machine building products from CEMA countries. The objective preconditions for this already exist.

One of the preconditions for realization of this "economic maneuver" is international specialization and cooperative organization of the production of consumer goods on the basis of a coordinated structural policy and taking into account the objective conditions for the development of the corresponding sectors of the national economy in fraternal countries. The high level of technical equipment at many light industrial enterprises in European CEMA countries, and the skills and experience of the personnel mean that one can count on the delivery of high-quality goods from them, especially popular outerwear, knitted sportswear and athletic shoes made of fabric, and leather goods. Guided by the long-range import demands of the the Soviet Union for certain types of products in this group, they could substantially expand their production for the Soviet market and increase the export specialization in a number of sectors by carrying out the necessary measures in the area of capital investments, reconstruction and rationalization in industry. This would mean that the Soviet Union would not need to expand its own production in a number of processing sectors of light industry, especially in those regions and centers that are experiencing a manpower shortage, and the Soviet Union could meet a greater proportion of its demands for certain goods through imports.

Up until now programs for modernization of light industry in the majority of CEMA countries, in addition to meeting the country's own needs, have been oriented toward increasing the export of products, especially for Western markets, in order to pay for technology and equipment purchased there, which has made their economies somewhat dependent on capitalist countries. It is possible to counteract these trends effectively only through coordinated actions of CEMA countries that are aimed at strengthening the material and technical base of sectors involved in the production of consumer goods, by achieving greater technological independence from the West with respect to the supply of raw materials, machinery, and equipment. It is hard to overestimate the importance of production and scientific and technical cooperation between CEMA member countries in this area. Further deepening of international specialization and cooperative production of finished products of light industry and household appliances, in addition to semimanufactures, raw materials, and machinery for their production, and spare parts would help step up the exchange of these goods between the USSR and its partners in the socialist camp, which would in turn raise the supply of a wider assortment of goods in domestic markets and help cut down on capital investments.

Today international specialization and cooperative production between the Soviet Union and countries of socialist cooperation, especially in the area of chemical products of raw materials (synthetic fibers and artificial leather) and

equipment for sectors of light industry, is helping effectively to resolve raw materials and technological problems in developing the production of consumer goods, and consequently, it is expanding the base for their reciprocal exchange and for increasing the supply of these goods to the public. The agreements for specialization and cooperative production in light industry being carried out also offer evidence of their positive role in our national economy.

In the current five-year plan, in accordance with agreements on international specialization and cooperative production with fraternal countries, the Soviet Union is receiving a wide assortment of furniture fabrics and accessories, toys, and various athletic articles. Kitchen furniture that is in great demand is being imported from Czechoslovakia and Romania (these countries are expanding their production on the basis of a guaranteed, stable market). There are still not enough examples, however, of this type of international specialization and cooperative production in light industry in CEMA countries. An important reserve for deepening cooperation in this direction lies in improving the mechanism of international specialization and cooperative production, developing direct ties between light industrial enterprises in socialist countries, and organizing joint firms, which have been described in the documents and decisions of recent meetings of the CEMA Session, materials of the 26th CPSU Congress, and congresses of fraternal parties.

The search for new directions for effective international specialization and cooperative production of industrial consumer goods should be continued within the framework of coordinating and implementing long-term bilateral programs of specialization and cooperation between the USSR and other CEMA member countries (lasting up until the year 2000), and in the development of the corresponding sub-programs of long-term comprehensive programs for cooperation to meet the public's rational demands for this group of goods. The entire system of measures for international specialization and cooperative production could be viewed as an integral part of coordinating the national economic plans in the corresponding industrial complex.

Another source for increasing commodity resources for consumer goods besides foreign trade and specialized supply of goods is the exchange of various assortments of goods through domestic trade ministries. The USSR is now making successful use of forms for the exchange of assortments of goods with CEMA member countries and Yugoslavia, such as border trade, exchanges between large department stores, the sale of goods through a network of national stores representing socialist countries ("Belgrad," "Budapest," "Prague," "Polish Fashion," "Sofia," and so on), which are branches of large Soviet department stores specializing in the sale of goods from other countries. These forms on the whole are proving to be successful: they are helping to eliminate above-norm stocks of goods, they are stepping up the turnover in the retail network, they are helping to saturate markets with goods that are in great demand, and they benefit each of the partners by increasing the goods turnover and expanding the assortment of goods.

However, goods sold in this manner account for only a small proportion of the total goods turnover. The basic directions for improving the operations of trade enterprises in the USSR and CEMA countries that exchange consumer goods using the resources of trade ministries include creating the conditions for

accelerated exchange by granting the corresponding rights to trade organizations, and increasing the proportion of high-quality, fashionable articles in the total volume of products sold, which would include making more active use of domestic wholesale trade fairs and international exhibitions for selecting goods.

An analysis of the possibilities for expanding the import of cultural, personal, and household articles by the Soviet Union from socialist countries shows that there are still some unutilized reserves, especially in the sphere of international specialization and cooperative production. On the whole there is a need to develop a long-term import policy regarding goods in this particular group, which would become an integral part of the comprehensive program to develop the production of goods in the USSR. This policy could reflect the basic directions for cooperation and specific forms for their practical realization with respect to the various groups of states--socialist, developing, and industrially developed capitalist states.

Another important, integral part of the program to develop the production of consumer goods, in which CEMA member countries could participate actively, is the technical retooling and modernization of sectors of light industry in the USSR. At present cooperation in this area is developing in various forms. These include foreign trade deliveries of machinery and equipment for the textile, sewing, leather and shoe, and woodworking industries; international specialization and cooperative production of equipment, including the joint creation of new models of technically progressive machinery that meet world standards for quality and reliability; and the comprehensive participation of fraternal countries in the reconstruction of Soviet light industrial enterprises. Cooperation among CEMA countries in the process of modernization of the production and technical base of sectors in the consumer complex is of fundamental importance for the successful fulfillment of the main goal of the program--substantial improvements in product quality, stepped-up renewal of the product assortment, and intensification of the production of consumer goods.

Further increases in productivity and improvements in working conditions in light industry (as is the case with goals for conserving physical resources) are tied inseparably to the broad introduction of progressive methods and technology. The primary responsibility here falls to the machine building sectors that serve the production of the corresponding consumer goods. The planned program for the creation and series production of new equipment for light industry in the USSR between 1981 and 1985 calls for the development of about 500 different types of equipment, that is, about 100 new types of machinery, machine tools, and lines should be introduced in the sector every year. There are plans to produce 12,500 spindleless spinning machines, more than 60,000 shuttleless looms, 15,000 carding machines for cotton, 850,000 all-purpose and special sewing machines, and a large amount of other equipment at enterprises under the Ministry of Light and Food Industry by the end of the current five-year plan. The Soviet machine building industry is faced with an even more serious task in the next five-year plan with respect to meeting the demands of light industry: it will be necessary to develop and put into production 1200 different types of equipment for just the most important machinery, and to increase the supply of sets of machinery to enterprises; these sets currently account for no more than 17 percent of the total output (a

large proportion of the equipment is delivered to the sector in the form of odd pieces of machinery). The total demands of the sectors producing consumer goods exceed these figures by a substantial margin.

The production of consumer goods is in the majority of cases a complicated technical process, the functioning of which depends on the output of many different sectors and types of production. There is not one country in the world that is able independently to produce the entire gamut of necessary technological equipment (and this would not be economically expedient). In the modern textile industry, for example, according to experts' estimates in order to ensure the normal production process, 2000 basic types of textile machinery are needed. Therefore, there is an objective expansion of the role of the international socialist division of labor and mutually beneficial economic, scientific and technical cooperation among CEMA member countries in machine building for the production of consumer goods.

By the end of the current five-year plan light industry in the Soviet Union should receive equipment valued at 5.2 billion rubles, with more than 1.2 billion rubles in equipment coming from CEMA countries. Weaving enterprises are continuing to install shuttleless looms manufactured by the Cheboksary Machine Building Plant in cooperation with enterprises in fraternal countries (using these looms instead of mechanical looms provides a 1.5 to 2-fold increase in equipment productivity). Now shuttleless looms already account for 60 percent of all the weaving equipment used in silk manufacturing, almost 100 percent in the wool industry, and about 20 percent in cotton production.

Spinning production is also undergoing successful modernization: over 30 percent of the cotton thread is now being produced on BD-200 pneumo-mechanical spinning machines (manufactured at the Penza Machine Building Plant in cooperation with the Czechoslovak concern "Elitex"), which is then used to produce about 2 billion meters of fabric. The USSR is now first in the world in terms of utilizing this particular spinning method.

In the last 10 years the technical level of machinery and equipment for light industry manufactured in countries of socialist cooperation has risen, and their assortment has been renewed constantly as changes have taken place in the technology of producing fabric, clothing, and shoes. In a number of countries where textile machine building has traditionally been a developed sector, the GDR and Czechoslovakia in particular, there are also fairly good scientific research and design projects under way in all the contemporary directions of machine building for light industry. These countries have also set up series production of progressive types of equipment, including fully mechanized production lines--flow lines for textile, sewing, and shoe enterprises, knitting machines with electronic elements, automatic cutting and sewing machines that use laser rays, and industrial robots to service manufacturing equipment.

A large group of machines and equipment developed and produced in CEMA countries meets world standards. In the GDR this group includes pronged flat knitting machines and warp knitting machines for the knitting sector, industrial sewing machines, spinning machines for natural fibers and synthetic silk, as well as machines for commercial laundries and dry cleaners that are

exported widely to CEMA countries, and the "Malimo" knitting and stitching machines for the production of nonwoven materials. The CSSR has made special advances in textile machine building; 80 percent of its products are exported, including machinery that is provided "pod klyuch". The BD-series pneumatic spinning machines have gained the greatest worldwide notoriety. Licenses for the spindleless spinning process, the patent for which belongs to Czechoslovakia, have been sold to many countries in the world. Automatic and hydraulic looms are also distinguished by a high technical level. The CSSR is the only CEMA country that produces small-scale knitting machines. In the current five-year plan Czechoslovakia will initiate series production of a new type of automatic spinning machine, multi-shuttle "Kontis" looms, improved spindleless spinning machines that should operate at a speed of 75,000-80,000 revolutions per minute, and automated small-scale knitting machines. Hungary has created a series of machines for the sewing industry that use mini-computers and lasers. In the current five-year plan cutting and quilting machines and ironing presses will be sent to the USSR. On the basis of four domestic inventions, Bulgaria has created the "Kruts" programmed control system that operates on integrated circuits. Used with shuttleless looms, this system sharply reduces equipment idle time and increases equipment productivity approximately 40-fold (when the programs are changed).

Thus, favorable conditions have been created in the scientific, technical and production base of the corresponding machine building sectors in CEMA countries for intensification of mutual deliveries of progressive equipment. During the course of joint planning activities, fraternal countries will have to coordinate the usual foreign trade and cooperative deliveries with predicted demands for specific types of machinery (this includes Soviet light industry). Sectorial scientific and technical programs for the development of machine building in various countries are in need of more in-depth coordination within the framework of coordinated economic, scientific, and technical policies (outlined in the documents of the Economic Summit Conference). Practical experience indicates that structural shifts in the machine building base be subordinated to the goals of retooling the entire complex of sectors engaged in the production of consumer goods on a new technical base. The development and deepening of international specialization and cooperative production will play a major role here. Cooperation in the production of the latest machinery systems should play a leading role in the future, which will make it possible to develop series production of these systems in the shortest amount of time and with the least expenditures.

A relatively new form of cooperation that is aimed at joint utilization of the scientific and technical potential and production base of fraternal countries to expand the output of consumer goods is the all-round participation of fraternal countries in the reconstruction of Soviet enterprises. In the current five-year plan the GDR, Hungary, and the CSSR participated for the first time in the reconstruction of Soviet enterprises in light industry, the food industry, and local industry, and consumer service enterprises.

The essence of this type of cooperation is the implementation of coordinated measures to incorporate progressive methods and technology into production, along with advanced methods for organizing labor with the aim of bringing about maximum intensification of the production of consumer goods. Cooperation in

the technical retooling of enterprises, as a rule, guarantees an increase in the yield from the same production capacities, in addition to bringing product quality up to world standards, reducing service personnel and losses of raw materials and supplies, improving working conditions, and raising labor productivity. This involves the exchange of scientific and technical developments and experience in the production of the goods, and special deliveries of the necessary equipment and materials. One of the conditions for carrying out reconstruction work in light industry is the creation of collections of models of fashionable articles that are to be produced after reconstruction is completed.

The first agreements for this type of cooperation were signed at an intergovernmental level in 1982 between the USSR and the GDR, and between the USSR and Hungary. A number of the planned measures have already been carried out. For example, in just 15 months specialists from the well-known Budapest Sewing Factory completed successful retooling of the head enterprise of the Lvov Sewing Association "Mayak" (engaged in sewing women's outerwear) and the Sewing Factory imeni 1 May in Tbilisi.

The GDR is very active in cooperation involving reconstruction. In accordance with accords between our countries, 11 intergovernmental and interdepartmental agreements have been signed, and more than 20 enterprises, shops, and sections are being rebuilt in the USSR. One of the agreements involves conditions of cooperation in the reconstruction of nine enterprises in the USSR sewing industry, others deal with rationalization of production at shoe factories, the creation of sections for processing waste products from silk production, and the technical retooling of factories that manufacture knitted gloves and textile accessories.

Other projects being carried out with the participation of the GDR in 1984-1986 include the Shoe Factory imeni Kapranov that is part of the Moscow "Vostok" Association and the "Zarya Svobody" Factory under the Leningrad "Skorokhod" Shoe Association (modern manufacturing lines will be installed at these enterprises for the production of women's and children's shoes with fabric uppers); a number of sewing enterprises, including three factories for producing men's outerwear (in Yerevan, Pyatigorsk, and Tashkent); the "Krasnyy Vostok" Glove Factory and the Moscow Textile Accessories Association. Shops for processing industrial waste will be built at the silk factories in Lutsk, Namangan, Cherkassy, Orenburg, and Lisichansk (where clothes-lines, heavy cord, and other necessary articles will be produced).

Agreements have also been signed for joint reconstruction of local industrial enterprises with the participation of specialists from the GDR; implementation of these agreements will make it possible to increase the enterprises' capacities and renew the assortment of goods produced by enterprises engaged in the manufacture of musical instruments, baby carriages, and toys. A number of agreements signed at the end of 1983 within the framework of the USSR-GDR bilateral commission for economic, scientific, and technical cooperation involve improvements in the production of soft furniture. Specialists from the Berlin Furniture Combine will provide technical assistance in introducing improved technological processes for manufacturing the soft elements of furniture, and for the final finishing of furniture, at factories of the Rostov

Association imeni Uritskiy. Improvements will be made in the production of chairs at the Moscow Furniture Combine and the Thüringen Combine (GDR): in the USSR this will involve the so-called collapsible chairs, and bentwood models in the GDR.

In accordance with agreements between the USSR and Hungary on the technical retooling of sewing factories, Hungary developed and provided the engineering plans, clothing models and technical documentation for them, machinery, installation, set-up, and adjustment of the machinery, and training for Soviet specialists. The technical retooling of the Lvov and Tbilisi sewing factories made it possible to organize the additional production of high-quality goods and increase labor productivity by 10-15 percent. The retooling in Lvov was carried out without any drop in production output. The new technology makes it possible to switch rapidly from the production of one type of article to the production of another.

Hungarian specialists (shoe manufacturers and machine builders) are also participating in the reconstruction of a number of shops at the "Paris Commune" Shoe Factory in Moscow. The "Minosegi" firm and "Tannimpex" foreign trade association will provide the basic finishing parts for the production of especially fashionable shoe styles. Hungary is helping with the reconstruction of the Krasnodar Furniture Factory, the construction of 21 radio and television repair enterprises, and the technical retooling of 9 household refrigerator plants.

Czechoslovakia will be providing our country with a great deal of assistance in the reconstruction of enterprises in light and food industry. In the current five-year plan Czechoslovakia is already providing equipment for the modernization and reconstruction of a leather plant in Yerevan, the Voroshilovgrad Footwear Production Association, and the Knitted Fabric Factory in Zhodino (Minsk Oblast). Reconstruction creates good opportunities for the subsequent development of direct ties between enterprises engaged in similar production because the technical levels of production will be more even, the technological parameters of their products will be closer, and the materials and standards used will be the same (which is exceptionally important in intrasectorial cooperation), and also as a result of establishing close contacts between direct representatives of the workers' collectives. Thus, this form of cooperation can promote not only an increase in the production of goods for the domestic market, but also greater mutual exchange of goods in the process of cooperation.

The study and utilization of positive experience gained by socialist countries in these areas are of great importance in improving the organization of the production of industrially produced consumer goods and trade. For example, CEMA countries are actively searching for optimal practical solutions to pressing problems such as: assimilation of the interests of the producers of consumer goods and consumers; stimulating the production of high-quality goods and renewing their assortment; strengthening direct and reverse ties between production and trade; improving all forms of retail trade; and studying and predicting the consumer demand and formulating industrial orders on the basis of this demand.

Interesting experience has been gained in the GDR, where all the country's industrial combines have joined in the production of cultural, personal and household articles, and they have been assigned quotas in the "thousand small items" group. In order to meet the public's demands more fully, a number of enterprises have created groups to analyze the consumption qualities of the goods produced. Producers are constantly in contact with commercial workers and the consumers themselves, especially during the "production days" that are held in large department stores and enterprises' stores. Ties between retail trade and industry and wholesale trade are undergoing successful development in the republic: 70 percent of all goods arrive at stores directly from enterprises and only 30 percent come from wholesale bases. All this reduces transportation costs, prevents breakage and damage to goods, and it makes it possible to meet demands more effectively. Production collectives in the GDR have been put in a position where they must first consider questions of quality, and economy of raw materials and supply. The trade sector exercises tight control over an enterprise's operations: it has the right to reduce retail prices of goods at the factory's expense, for example, footwear prices can be cut by 12 percent, which is reflected in the bonus fund.

In the CSSR there is a similar contractual system of relations between industries producing consumer goods and the commercial sector, which assumes the equal responsibility of both sides for meeting consumer demands. Industrial enterprises join with the commercial sector in studying the market for cultural, personal, and household goods.

In Hungary in 1979 a buyers' council was created under the Hungarian Ministry of Domestic Trade (consisting of representatives of trade associations). It draws up lists of goods that are in short supply, predicts the demand for these goods over the next several years, informs enterprises about this, and organizes exhibitions of products. Trade organizations that have an interest in obtaining goods that are in short supply can provide financial assistance to supplier enterprises from their own development funds. In a number of cases, the bank grants loans to industrial enterprises at special rates. The buyer (the commercial sector) guarantees industry that the goods will be sold and promises to accept certain goods over the course of a year or several years.

In CEMA countries a great deal of attention is given to questions involving incentives for producing high-quality goods and to creating obstacles to shoddy workmanship and the appearance of clearly unsuitable goods in shops. In Bulgaria, for example, exhibits of poor quality consumer goods are held, on the basis of which managers in light industry and domestic trade confirm the list of goods to be taken out of production.

The creative application in the USSR of experience gained in fraternal countries in the production and sale of consumer goods, the development of closer cooperation, and more direct ties between industrial enterprises and trade organizations will contribute a great deal to the resolution of a whole series of pressing problems now facing domestic light industry and domestic trade.

Considerable work is now being done in CEMA organs, in bilateral intergovernmental commissions on economic, scientific and technical

cooperation, and state planning organs to increase the contribution of socialist countries to the resolution of major national economic tasks in the USSR, including the fulfillment of the Food Program and increasing the output of consumer goods. Active utilization of foreign economic ties between the USSR and socialist countries and other states in implementing the comprehensive program to develop the production of consumer goods will contribute to more rapid and effective resolution of the goals that have been set, a greater assortment of consumer goods on the domestic market, and the ability to meet some of our domestic demands for these goods through cooperative production and modernization of the production potential.

FOOTNOTES

1. PRAVDA, 30 September 1983.
2. SOVETSKAYA ROSSIYA, 28 February 1984.
3. EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV, No 6, 1983, p 5.
4. Cf. EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV, No 12, 1984, p 24.
5. TEKSTILNAYA PROMYSHLENNOST, No 1, 1984, p 3.
6. EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV, No 1, 1982, p 44.

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CSO: 1827/193

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

COMMODITY TURNOVER FIGURES FOR UNION REPUBLICS IN 1985

First 6 Months

Moscow SOVETSKAYA TORGOVLYA in Russian 18 Jul 85 p 1

[Article: "USSR Central Statistical Administration Reports"]

[Text] The commodity turnover of state and cooperative trade for the first 6 months of 1985 totaled 157 billion rubles, including 43.7 billion rubles in consumer cooperatives' turnover.

The plan for the total volume of retail commodity turnover in the first 6 months was underfulfilled. In comparison with the first 6 months of 1964, the retail commodity turnover rose in comparable prices by 2.5 percent.

The growth of commodity turnover for the first 6 months of 1985, compared to the first 6 months of 1984 by union republics is characterized by the following data:

RSFSR	102.4	Moldavian SSR	102.5
Ukrainian SSR	102.5	Latvian SSR	104.1
Belorussian SSR	105.0	Kirghiz SSR	103.1
Uzbek SSR	101.0	Tadjik SSR	103.4
Kazakh SSR	102.8	Armenian SSR	102.3
Georgian SSR	102.3	Turkmen SSR	100.6
Azerbaijan SSR	101.7	Estonian SSR	103.9
Lithuanian SSR	104.7		

July-August

Moscow SOVETSKAYA TORGOVLYA in Russian 10 Sep 85 p 1

[Article: "USSR Central Statistical Administration Reports"]

[Text] The commodity turnover of state and cooperative trade for July and August of 1985 came to 55.4 billion rubles, including 15.9 billion rubles in consumer cooperatives' turnover.

The plan for the total volume of retail commodity turnover for July and August was fulfilled by 96.9 percent. In comparison to January through August of 1984, the retail commodity turnover from January to August of 1985 rose in comparable prices by 2.7 percent.

The growth of commodity turnover from January to August of 1985, compared to January through August of 1984 by union republics is characterized by the following data:

RSFSR	102.4	Moldavian SSR	102.5
Ukrainian SSR	103.0	Latvian SSR	104.3
Belorussian SSR	105.0	Kirghiz SSR	102.8
Uzbek SSR	101.5	Tadjik SSR	103.4
Kazakh SSR	102.9	Armenian SSR	103.7
Georgian SSR	103.5	Turkmen SSR	101.5
Azerbaijan SSR	102.2	Estonian SSR	104.3
Lithuanian SSR	105.3		

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HOUSING AND PERSONAL SERVICES

FIGURES ON PER CAPITA OUTPUT OF DOMESTIC SERVICES IN RUBLES

Moscow VESTNIK STATISTIKI in Russian No 7, Jul 85 p 80

[Tables: "Sales Volume of Domestic Services to the Populace"]

[Text] 1. Average USSR Per Capita Sales Volume of Domestic Services by Type (in Rubles).

Types of Services Rendered	1980	1984	Types of Services Rendered	1980	1984
In All	29.75	35.75	Furniture Repair	0.23	0.29
Including:			Furniture Making	0.84	1.08
Shoe Repair	0.76	0.91	Drycleaning & Dying	0.70	0.77
Individual Shoe			Laundry Services	1.41	1.52
Stitching	1.97	2.40	Housing Repair and		
Garment Mending	0.59	0.66	Construction to Order		
Individual Garment			of Populace	2.14	2.52
Sewing	5.99	5.90	Photo and Home Movie		
Mending Knitted			Laboratory Services	1.31	1.56
Articles	0.07	0.08	Bath & Shower Services . .	0.69	0.75
Individual Sewing and			Barber Services	2.46	2.97
Darning of Knitted			Rental of Moveable		
Articles	1.24	1.51	Property	0.58	0.88
Home Appliance Repair;			Transportation Services .	1.42	1.80
Repair and Manufacture			Services for Processing		
of Metal Articles . .	2.57	3.71	Agricultural Products & Other		
Repair and Maintenance			Agricultural Services . .	0.71	0.89
of Privately-Owned Means			Other Kinds of Services .	1.83	2.30
of Transportation . .	1.08	1.75			
Ritual Services . . .	1.16	1.50			

2. Average Per Capita Sales Volume of Domestic Services by Union Republic
(in Rubles)

	In All	1980 Urban	Rural	In All	1984 Urban	Rural
USSR	29.75	35.06	20.88	35.75	40.87	26.47
RSFSR	31.50	35.02	23.18	37.12	40.37	28.59
Ukrainian SSR	30.42	35.99	21.20	36.92	42.28	26.97
Belorussian SSR	33.91	42.80	22.23	44.94	51.55	34.40
Uzbek SSR	19.67	25.85	15.31	24.32	31.06	19.41
Kazakh SSR	24.62	28.96	19.38	30.48	34.27	25.48
Georgian SSR	31.15	41.98	19.27	42.40	52.16	31.11
Azerbaijan SSR	18.05	26.73	8.13	23.92	33.61	12.71
Lithuanian SSR	37.07	56.28	23.49	44.71	64.02	29.97
Moldavian SSR	25.83	35.50	19.26	30.99	41.16	22.92
Latvian SSR	51.24	58.78	43.41	59.56	66.36	52.29
Kirghiz SSR	22.56	36.71	13.61	27.22	43.14	16.84
Tajik SSR	21.00	33.52	14.42	25.39	40.77	17.60
Armenian SSR	25.31	30.21	15.74	33.52	37.30	25.67
Turkmen SSR	19.74	24.11	15.74	24.32	28.26	20.77
Estonian SSR	47.55	54.36	39.56	57.43	65.07	48.12

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CONSUMER SECTOR POLICY AND ECONOMICS

USSR TRADE MINISTER CITES REASONS FOR IMPROVED STANDARDS

Moscow AGITATOR in Russian No 13, Jul 85 pp 34-37

[Article by G. Vashchenko, USSR minister of trade: "In the Interests of the Customer"; passages in all capital letters printed in boldface for emphasis in original]

[Text] Further increase in the Soviet people's prosperity presupposes an ever-increasingly full satisfaction of the demand for various types of goods. Because, of course, a rise in the workers' standard of living is determined not by monetary income in itself but by the actual opportunity to purchase everything necessary for a man and his family. The retail goods turnover of state and cooperative trade, by means of which the population of this country satisfies more than 90 percent of its needs for food and industrial goods, has more than doubled in comparison with 1970. The sale of food products (in comparable prices) during this period has increased by a factor of almost 1.7, while it has more than doubled for non-food items.

Qualitative shifts have occurred within the structure of the goods turnover. Among FOOD PRODUCTS there has been a faster growth rate in the sales and corresponding consumption of meat and meat products, dairy products, eggs, pastry items, etc. At the same time sales, for example, of flour, bread, and bakery products have increased to a much lesser degree, and their per capita consumption has declined. This testifies to the fact that in the Soviet people's food ration there has been an increase in the proportion of the most valuable products, and their nutrition has become more optimal.

Big changes have also taken place in the satisfaction of the population's needs for INDUSTRIAL GOODS. Gone are the days when people would acquire, essentially, any kinds of clothing, footwear, fabrics, cultural and household items--because there were shortages of them for sale. Now the provisions of such goods are at quite a high level. Take, for example, articles produced by light industry. According to the data of studies, the wardrobe of each inhabitant of the country contains an average of 20 items of outerwear and 6 or 7 pairs of footwear. Particularly notable has been the increase in providing the population with items of cultural-everyday and household types.

All this is tangibly changing the demands on trade and complicating its tasks. At the present time we must work under conditions which are different in principle from those of, let's say, about 10 years ago. The mass of goods is

growing quantitatively and being renewed qualitatively; moreover, this renewal is taking on an ever more dynamic nature. To be sure, even now a shortage of certain items is to be felt on the domestic market; shortages have not been completely eliminated, and there are interruptions in the sale of certain items.

At the same time THE HIGH LEVEL OF PROVISIONS BEING DELIVERED TO THE POPULATION TODAY HAS CREATED A QUALITATIVELY NEW SITUATION IN THE MARKET. The customers' requirements are growing and changing in principle. More and more often they want to acquire things to replace those which they already have, and, therefore, in selecting their purchases they present much higher demands. When it is a matter, for example, of cultural-everyday types of items, people want to buy goods with new consumer characteristics; they pay more attention to their technical characteristics, reliability, and functional traits.

The demand for fabrics, clothing, footwear, and other articles of light industry is being determined more and more by high standards on the part of the customers, by the diversity of their tastes and the requirements of fashion. Here the top-priority principle has become the following: to turn out items not for the customer "in general," but taking into account the most varied groups of the population--young persons and adolescents, elderly persons and those on a pension, families with many children, etc.

There is also a growing dependence of consumer demand on national characteristics, climatic conditions, and material possibilities of certain categories of our enormous country's inhabitants. Trade service to the customer, linked to additional conveniences is becoming increasingly necessary.

At the April (1985) Plenum of the Central Committee it was pointed out that much remains to be done in order to more fully satisfy the demand for industrial goods and services, in order to saturate the market with needed products, to improve the quality and broaden the assortment of items being produced, as well as to elevate the standards of trade. To solve these problems, as is known, a comprehensive program has been directed at developing consumer goods production and the service field. It provides for a substantial increase in the production of good-quality clothing and footwear, up-to-date items of the cultural-everyday type, and household utensils, as well as the development of many kinds of services.

To put it another way, today in the production of consumer goods it is necessary to ensure the correct inter-relation between quantity and quality. And, in this regard, a very great deal depends on trade representing the interests of the customers. Greater and greater significance is being attached to the ORDERS OF TRADE FOR THE PRODUCTION OF GOODS, based on a precise calculation of the population's demand and the economic justification of the need for each item. The trade organizations and their services for studying demand must bear full responsibility for drawing up the orders.

The ties between trade and industry have been improved in the course of the largescale economic experiment now being conducted. In the current year the sphere of its activity has been expanded, having encompassed, in particular, the light and food industrial enterprises of the Union republics. Therefore, it is very important to meticulously analyze and creatively utilize the existing

experience, when, due to the joint efforts of industry and trade, there has been a substantial improvement in providing the population with goods.

As a positive example one may cite the joint work by the enterprises of the BSSR's light industry and trade. Economic ties have been constructed here on the basis of the complete filling of the trade orders for the developed assortment in accordance with the customers' demand. With matters set up this way, Belorussia's trade organizations and enterprises successfully cope year after year with the assigned tasks regarding the development of retail goods turnover, and they satisfy the demand of the population better. In a similar manner the wholesale organizations and stores of a number of other Union and autonomous republics, krays, and oblasts have constructed their own work.

The top-priority task of our sector's workers is to raise the level of the population's trade services. It is being solved by means of strengthening the material and technical base of trade and creating on this foundation the maximal conveniences for customers.

During the last few years COMPREHENSIVE, INTER-SECTORIAL PROGRAMS FOR IMPROVING THE TECHNOLOGY OF MOVING GOODS have been carried out in the Union and autonomous republics, krays, and oblasts. Their principal distinctive trait lies in the fact that previously trade developed by relying merely on its own forces and resources, while at the present time this task is being handled on an inter-sectorial basis, with the participation of suppliers of goods, transport people, etc. The development and execution of the inter-sectorial programs is directed by the Councils of Ministers of the Union and autonomous republics, as well as by the ispolkoms of the oblast, kray, and city Soviets of People's Deputies.

Carrying out the inter-sectorial, comprehensive programs facilitates the qualitative renewal of the trade economy of practically every city. A sufficient number of the necessary types of stores are being built or modernized--super-markets, department stores, specialized enterprises, warehouses; they are being outfitted with up-to-date equipment and mechanisms. This work is beginning to yield tangible results.

Experience of two decades has confirmed the high effectiveness of SELF-SERVICE STORES, particularly in the sale of food items. Today the inhabitants of most of this country's cities are familiar with super-markets, where they can obtain all the necessary products as well as some minor household items without spending too much time. Their work is well organized in Yaroslavl, Chernigov, Kharkov, Klaypeda, and many other cities. Here the customers, having rapidly selected their items, are hardly held up at all at the cashiers' check-out counter. Such stores are most convenient for large blocks of apartment houses and districts with new projects. And we are achieving a situation whereby they are being built more rapidly and progressive service technology is being actively introduced in them.

The fact of the matter is that super-markets are effective when and where the items in them are supplied in the forms most ready for selling--whether unpacked, packed, or placed in special packing equipment. Unfortunately, enterprises of the food and other sectors of industry still produce too many non-packaged items. This leads to an increase in manual labor in the stores, and

it has a negative effect on service to the customers. The USSR Ministry of Trade, while achieving from industry an increase in the proportion of packaged items, has, at the same time, adopted measures for developing packaging at wholesale centers and in large stores.

A substantial increase in the capacities for packaging and packing items, along with increased storage capacities, will allow us to more energetically develop another progressive form of trade--THE SALE OF FOOD ITEMS BY PRE-ORDERS FROM THE POPULATION. Stores and centers for accepting orders are being set up primarily at large plants, factories, and construction projects. The sale of non-food items by means of pre-orders is also being expanded. Such a form of trade has the best prospects for rural localities and for newly developed industrial regions.

In developing the retail network, we are improving its structure; in particular, we are creating STORES OF THE CONTEMPORARY TYPE AND WITH VARIOUS PURPOSES FOR THE SALE OF INDUSTRIAL ITEMS. In many cities large department stores are being built or re-outfitted, as was done in Vinnitsa; such stores sell diverse items from light industry, goods for cultural-everyday purposes, etc. The technology of trade therein has been so thoroughly thought through that the customer does not have to stand in long lines for each small section. He pays for all his purchases at once, at the check-out counter. This has been accomplished most successfully in Yaroslavl.

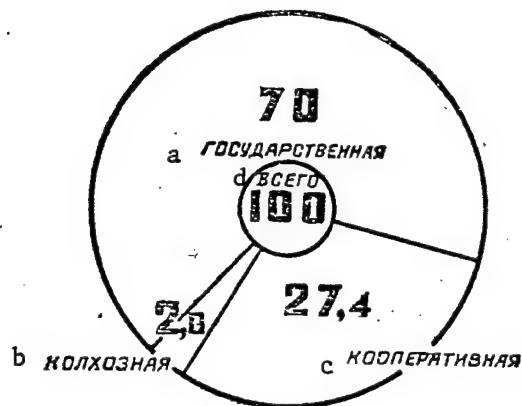
Durable goods in the widest assortment are offered by specialized stores, where purchases can be made to suit any taste. Such stores have the most favorable conditions for unpacking, laying out, and advertising items; they render additional services, and this attracts customers. Such trade enterprises are especially necessary for selling complicated everyday equipment--all manner of radio sets, household machines and appliances, and various types of items for household purposes.

Trade must offer to customers an ever-broader assortment of these items and organize their sale so as to provide persons with the maximum of conveniences. At the April Plenum of the CPSU Central Committee it was noted, in particular, that the need for garden sheds, building materials, and equipment is far from being fully satisfied. Measures are now being undertaken to fully provide the population with these items, to render aid to gardeners and builders by efforts of industrial, construction, everyday, and communal enterprises. Trade in such goods will likewise be conducted in a new way.

PUBLIC DINING is a major sector of trade. It plays an increasingly noticeable role in the social development of society. At the present time its services are used by as many as 120 million persons (in comparison with 92 million in 1980); of these, approximately 60 million are served at their places of employment. Many builders, miners, petroleum and gas workers, geologists, and agricultural workers receive hot meals directly at their work places or in everyday-communal areas.

About 20 million persons can sit down at one time at the tables of cafeterias, cafes, restaurants, and other public-dining enterprises, of which there are almost 330,000 in the country. Their network has been expanding with particular

ДОЛЯ ГОСУДАРСТВЕННОЙ, КООПЕРАТИВНОЙ (ПОТРЕБИТЕЛЬСКОЙ КООПЕРАЦИИ) И КОЛХОЗНОЙ (НА ВНЕДЕРЕВЕНСКОМ РЫНКЕ) ТОРГОВЛИ В ОБЩЕМ ОБЪЕМЕ РОЗНИЧНОГО ТОВАРООБОРОТА В 1983 ГОДУ
[в процентах к итогу]

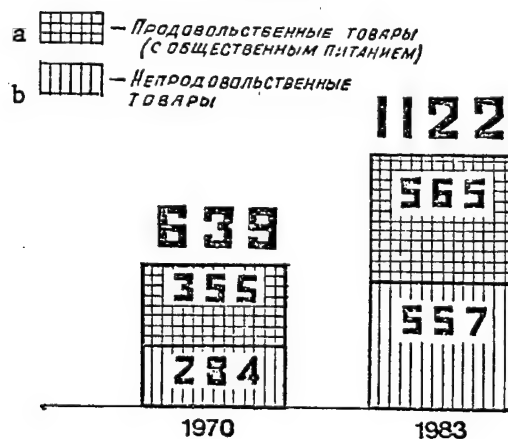


Ratio of State, Cooperative (Consumer Cooperative) and Kolkhoz (on the urban [vnederevenskiy] market) Trade to the Total Volume of Retail Commodity Turnover in 1983

(in percent of total)

a. State b. Kolkhoz c. Cooperative d. Total

РОЗНИЧНЫЙ ТОВАРООБОРОТ ГОСУДАРСТВЕННОЙ И КООПЕРАТИВНОЙ ТОРГОВЛИ НА ДУШУ НАСЕЛЕНИЯ В ФАКТИЧЕСКИХ ЦЕНАХ
(рублей)



Retail Commodity Turnover of State and Cooperative Trade Per Capita in Actual Prices (rubles)

a. Food goods (from public food service)
b. Non-food goods

rapidity at plants and factories, as well as at educational institutions. Operating at the workers' places of employment are approximately 12,000 cookery stores and divisions. The food service at enterprises should be organized in such a way that people can eat quick and tasty meals, as well as purchasing the products necessary for their families.

Ensuring the maintenance, under the conditions of constantly increasing volumes, of the required level of meal quality is allowed by the industrialization of public dining, by outfitting its enterprises with up-to-date equipment, and by introducing industrial methods of preparing food. By easing the heavy manual labor inherent in cooking, industrialization makes it possible for the chefs to show their personal skills.

In public dining it is extremely necessary to handle the existing products in such a way as to provide each person with optimal, well-balanced, and tasty meals. Without imposing on the visitor to the cafeteria an excess amount of garnishes, fats, and sweets, it is necessary to provide a sufficiently wide selection of diverse dishes and guaranteeing that a scientifically balanced portion is received. Quite a bit has been done in order to eliminate losses of bread, potatoes, vegetables, fruits, and other products in processing, as well as to ensure their fullest possible utilization. For this purpose national dishes are prepared, culinary recipes are being revised, stricter requirements are being made on the employees, skills and thrift are being encouraged in all manner of ways. Enterprises of the food industry are expanding the production of semi-finished goods with a high degree of preparedness.

Perfecting the organization of trade and industrializing public dining are directed, in the final analysis, at solving the main problem--improving service to the workers and more fully satisfying the demands of the Soviet people. Their demands on the service sphere and, in particular, on our sector, are constantly increasing. And the operational level of the trade enterprises is still far from always satisfactory for these demands. Overcoming the lag will be helped by that basic re-structuring which is being carried out in trade on the basis of utilizing the achievements of scientific and technical progress.

IMPROVEMENT OF SERVICE TO THE POPULATION DEPENDS, TO A DECISIVE DEGREE, ON THE TRADE EMPLOYEES, THEIR ATTITUDE TOWARD THE BUSINESS, INITIATIVE, CONSCIENTIOUSNESS, AND DEGREE OF TRAINING. People's complaints are caused not only by certain items not being for sale, the restricted assortment and low quality of the dishes cooked, but also by inattentiveness, crudeness, and indifference on the part of salespersons, as well as the cafeteria and restaurant workers. Such intolerable phenomena as violation of the trade rules, miscounts, false weight, etc. have not yet been rooted out.

Therefore, we ascribe top-priority importance to indoctrinational work in the groups at enterprises engaged in trade and public dining. It is necessary to teach the salespersons and other workers to behave kindly to people and thereby gain their respect. The struggle for excellent quality of trade service begins with an understanding by each worker in our sector of his own responsible role in solving this problem. Indoctrinational work, the activity of agitators, political information specialists facilitate the strengthening of discipline, the creation within the groups at the trade enterprises of an atmosphere of a

high moral quality and a business-like quality, a sensitive attitude toward people, and intolerance toward all manner of negative phenomena. A great deal of attention is being paid by the party trade organizations and their activists to carrying out the demands of the decrees passed by the CPSU Central Committee and the USSR Council of Ministers concerning measures to overcome drunkenness and alcoholism.

Certain trade employees must change their view of alcoholic beverages as a means of improving the indicators of good turnover. In the next few years a transition will be made to selling vodka and liquor products only in specialized stores or in isolated, specialized divisions (sections) of food stores.

Banning the sale of alcoholic beverages in trade enterprises near production facilities and construction projects, educational institutions, dormitories, children's institutions, hospitals, rest homes, railroad stations, boat landings, airports, cultural and spectator-type enterprises, places of rest, sanatoria, and tourist centers, and in the small-scale retail trade network compels the trade employees to stretch themselves, to study more seriously and thoughtfully the demand and to plan the goods turnover, to raise the standards of service.

Progressive enterprises have experience in over-fulfilling the plan for goods turnover, while reducing the trade in alcoholic beverages. Thus, quite a bit has been accomplished along these lines in Ul'yanovsk Oblast. Here the trade employees have begun to engage more in the non-centralized purchases of goods and products, to conduct fairs, to deliver items to the workshops of industrial enterprises and to farmsteads on farms, especially on days when wages and bonuses are given out. Just during the four months of the current year, with a reduction in the sales of alcoholic beverages amounting to 300,000 rubles, the goods turnover here increased by 21 million rubles.

Working in our sector are a considerable number of remarkable persons who, by their professional skills, conscientious attitude toward the business, sensitivity, and unselfishness have shown themselves to be examples to their comrades at work. Among them are veterans who have devoted decades to trade and young workers. A well-deserved authority is enjoyed by the following: salesperson of Store No. 19 of the Ordzhonikidze Municipal Food Administration of the North Ossetian ASSR, and deputy to the USSR Supreme Soviet, Z. Bidarova, pastry-chef brigade-leader of the Dzerzhinets Dining Combine from Perm Oblast, winner of the USSR State Prize, G. Khlopkova, senior salesperson of Store No. 2 from Simferopol', I. Golovaneva, salesperson of the Leningrad Passazh Trade Firm, N. Koval', who were awarded Komsomol Prizes this year, and many others.

The demands on trade personnel are now increasing significantly. Well-educated specialists are needed in order to make this sector truly up-to-date and to introduce progressive trade-technological processes. The very contents of the trade professions are changing. Socialist competition for the successful completion of the assigned tasks of the five-year plan's culminating year have developed on a broad basis throughout the country. Employees in our sector must apply the maximum efforts for this purpose. Although during the first quarter retail goods turnover increased by 1.7 billion rubles, as compared with the corresponding period of last year, the plan for goods turnover was not fulfilled. It is necessary to adopt all measures in order to make up the lag, to mobilize

the efforts of the groups in this sector to further improve trade and to introduce progressive forms of service on a broad basis. In preparing a worthy greeting for the 27th CPSU Congress, the trade employees are striving to more fully satisfy the demands of the Soviet people, to improve the quality and raise the standards of service.

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CONSUMER SECTOR POLICY AND ECONOMICS

UZSSR TRADE MINISTER ON FACTORS ENHANCING PRODUCTION

Moscow SOVETY NARODNYKH DEPUTATOV in Russian No 7, Jul 85 pp 52-55

[Article by M. Khasanov, UzSSR minister of trade: "Production--Trade--Consumer"]

[Text] To study consumer demand and exert an active influence on the production of consumer goods and improvement in their quality and expansion of the range--such are the tasks set by the soviets in Uzbekistan for trade in the republic. This is the subject of the article published below.

As is known, trade is the linking element between the production sphere and consumers; it is one of the most important sections of consumer services. This is why the status of trade largely determines people's everyday life and is reflected in their attitudes. As they daily study this sphere, the organs of state power do a great deal to improve the sector and overcome the shortcomings in its work.

It is noteworthy that already at the first session of the Uzbek SSR Supreme Soviet, eleventh convocation, during discussion of the question of further increasing production and improving the quality of consumer goods, much attention was paid to the problems of developing trade. The resolution adopted by the deputies of the supreme organ of state power in the republic rightly noted that the UzSSR Ministry of Trade, the Uzbek Potrebsoyuz and their local organs are still cooperating only poorly with industry, and that they frequently accept for sale substandards goods or goods that do not enjoy consumer demand. For us this is a serious reproach. It requires critical consideration, agreed work, deep analysis of the prevailing situation and clear-cut landmarks for the future.

It must be said that during the 11th Five-Year Plan the growth in the volume of state trade and the expansion of the range of goods has resulted not only in quantitative but also qualitative changes in the sector. The idea of the small store with only one salesperson who placed the orders, accepted them and sold the goods is now a thing of the past. Today's trade enterprises are major centers where the representatives of many professions work--competent people who are able to influence not only the conveyor belt of the trade process itself but also the range and quality of the items produced at the enterprises, and who make justified demands of them and set conditions.

Today, increasing numbers of specialized stores are being opened in Uzbekistan, and progressive forms of trade such as self-service, sales exhibitions, offices for placing orders at industrial enterprises, the home delivery of goods to consumers and so forth are being extensively introduced. At the same time, as has already been stated, there are serious shortcomings in the work of the trade organizations and enterprises. We still have instances of disrespect to purchasers, rudeness, artificial holding back of articles in short supply, and direct abuses. The organs of power and the state inspectorate monitoring services are waging a struggle against this, and strict administrative measures are implemented against the guilty parties.

At the same time it must be said that successful activity by trade and the increasingly full satisfaction of consumer demands largely depend on what industry and agriculture produce. And they have their own problems there.

During the first 4 years of the 11th Five-Year Plan R1 billion of consumer goods (expressed in retail prices) were produced above the plan in the republic. More than 800 new kinds of cultural and everyday and domestic articles were assimilated. This year the output of improved-quality "N" index goods (the "N" stands for "new"), and particularly fashion items, will exceed R500 million. Already today many kinds of goods that were in short supply are now in adequate supply. They include certain domestic items and haberdashery. But some other necessary items are being produced only in small quantities, particularly when we take into account the changing market situation.

It must be stated directly that industry is failing to keep pace with the growth in demand for goods, particularly high quality goods. The problem of meeting orders from trade and switching from the production of old models to new ones is still being resolved only slowly. Thus, the Ministry of Light Industry has still not filled orders from the "Uztorgodezhda" wholesale trade office for the 1985 production of school uniforms for girls and shirts for boys. And in general for the "clothing" group, unfulfilled orders worth R18 million are still outstanding.

Industry continues to deliver articles that do not enjoy consumer demand. There are also unjustified interruptions in the provision of individual kinds of articles that should be produced locally.

There is no doubt that trade can also regulate the resolution of these questions. Definite opportunities exist for this. Special services to study demand and the trade situation have been set up in 166 organizations and enterprises in our sector. Their work is determined by quarterly and annual plans. Some 285 of these services now exist. They are used to make thorough studies of the total volume of demand for consumer goods, and also the individual brands and models; and consumer requirements with respect to prices, quality and retail consumer qualities for items have been clarified.

During 1984 and the first quarter of this year, the ministry's section for the study of consumer demand and market conditions and similar services at the local level studied the state of affairs in three commodity markets, namely rugs, carpets, and synthetic detergents, and in two micromarkets--metal bed frames and baby carriages. The figures obtained were used when compiling the

corresponding applications and orders to industry. The manufacturing ministries producing consumer goods and the Uzbek Potrebsoyuz have jointly held 785 sales exhibitions, 865 consumer conferences, and 305 marketing and product range meetings, conducted more than 1,000 consumer polls, and generalized and analyzed about 5,500 consumer responses and responses from trade specialists.

All this has played a certain role. In particular it made it possible for industry to assimilate more than 200 new kinds of goods in 1984 and more than 70 during the first quarter of this year, all of which enjoy good consumer demand. At the same time 294 obsolete models have been withdrawn. The thrust is toward innovation. In the first quarter of this year alone the republic retail offices recommended to the Uzbek branch of "Soyuzpromvnedreniye" the assimilation of about 800 new models of consumer goods. Unfortunately, only about 100 have been selected for production.

It should be emphasized that problems of building up production, extending the range and improving quality are under the eye of the republic Supreme Soviet Permanent Commission on Trade. We have drawn up a comprehensive program for the production of consumer goods through the end of 1985. And the deputies, in particular, are monitoring the course of its fulfillment.

Thanks to the measures adopted, the quality of many goods has also been improved. Goods from the Tashkent Krasnaya Zarya Sewn Goods Association, the Kokand Footwear Factory, the Bukhara Embroidery Factory, and the Tashkent China Plant do not lie long on the shelves in the stores. The recently commissioned plastics plant in Dzhizak is producing output worth more than R3 million a year; and each year just one of the shops at the Uzbek Metallurgical Plant in Bekabad is producing enameled chinaware worth R46 million. A domestic chemicals plant has been constructed in Kuvasay to produce oil-based paints. The production of goods for children has been expanded. Targets for the production of silk fabric, knitted cotton underwear, shirts and pants made from cotton and mixed fabrics, sets of clothing for very young infants and for baby carriages, and other goods enjoying consumer demand have been overfulfilled. Our trade organizations were the first to introduce many of the items listed. It would seem that the republic's commodity resources have been substantially augmented through opportunities at the local level.

It is a telling fact that problems associated with establishing closer cooperation between industry and trade are systematically discussed at the soviet sessions and the meetings of the ispolkoms, and that various alternatives for sensible cooperation are worked out. The expansion of direct ties and cooperation agreements are supported in every possible way. In 1984 these kinds of agreements were concluded by almost all the enterprises and trade organizations in Tashkent, Samarkand and Fergana. The Tashkent Central General Store, for example, on the recommendation of the city soviet permanent trade commission has for several years been cooperating with the Krasnaya Zarya Sewn Goods Association, which specializes in the production of ladies' coats. Commodity experts at the store participate in the work of the enterprise's design councils, offering their comments and suggestions on the design of articles. At the start of each quarter the association organizes an exhibition of the new models going into production. Store representatives select the models which in their opinion should please the consumer. And their opinion is quite weighty, because, since

they are constantly dealing with the public, they have a good knowledge of people's requirements and tastes, and they are able, as it were, to steer the enterprises in the directions they should go.

It is precisely thanks to these kinds of creative contacts that Krasnaya Zarya is always able to stay abreast of the times. For example, the trade workers have raised with the knitted wear people the question of producing items in small batches, with delivery to the stores on hangers so as to maintain the items in good condition. The innovation quickly justified itself--demand increased. The permanent commission of the city organ of power has recommended that this experience be disseminated to other trade enterprises and establishments.

The deputies have also offered another good piece of advice: in the interests of the matter, the specialists at the industrial enterprises should visit the stores more often, and together with the salespeople and commodity experts consider how to market their products and see for themselves what kind of complaints the shoppers make. This will undoubtedly make it possible to become more familiar with their demands, and to satisfy them.

Great successes have already been achieved through the use of that unique barometer of consumer demand, namely studying consumer attitudes toward goods and how they are marketed. It is noteworthy that the goods from the sewn goods association are quickly sold, with lines even forming sometimes. And the people at the Central General Store take this into account when compiling their new orders.

We have already stated that the production of goods locally is reducing deliveries from other regions of the country. There is no need to explain the profit that this brings for the state. Suffice it to say that imports of bed linen, surgical smocks and waterproof coats have ceased, and deliveries of silk fabrics are being reduced. Of course, it is not a question of producing everything locally. All-union exchange has been and remains a very important element in strengthening traditional national economic links. It is a question only of those articles that can and should be produced additionally through the rational utilization of local resources, and also the development of new sectors in industry.

Reserves undoubtedly do exist here but they are not being used to the full. The task set by the republic government for additional production of cotton fabrics and yarn and certain other essential items is still not being fulfilled. Lagging behind the five-year plan targets has been permitted in the production of hosiery, leather footwear, and knitted underwear and top clothing. And people ask for these items in the stores and sometimes reproach the trade workers for their alleged lack of concern. At the same time, some of the industrial enterprises are "racing ahead" of the plan with things that do not enjoy consumer demand, as, for example, drab fabrics or the leather haberdashery articles that are churned out by the Ministry of Local Industry of Uzbekistan. Sometimes no thought is given to the purchasers: for a consumer will not buy something he does not want.

Trade orders for a number of children's goods are still not being met--underwear, terry-toweling, cotton clothing, socks, stockings and knitted tights. Enterprises

in the wood processing industry are not paying proper attention to the production of children's furniture and national traditional furniture expected by the consumer, even though its output in the republic has increased by almost 46 percent during the 11th Five-Year Plan. Over the past 4 years interruptions in the deliveries of some planned articles have amounted to R20.5 million, and for the total range the figure is R46 million. The industrial enterprises often give preference to expensive products. So we see that expensive furniture is produced far above the plan while targets for moderately priced stools are not met. Trade orders for kitchen tables, national traditional chests, wall cabinets, book shelves and other uncomplicated but absolutely essential items are systematically not satisfied. The greatest violations of contractual deliveries are being permitted by the "Tashkent" and "Sergeli" furniture production associations and the Yangiyul factory. As a result, both the soviet organs and the trade organizations are receiving many complaints and requests to correct the prevailing situation.

The Uzbek SSR Supreme Soviet Permanent Commission on Trade recently received a report from the the Uzbek SSR minister of light industry, M.Kh. Kurbanov, on measures taken by the sector leadership to improve the quality of goods produced. Practical recommendations were drawn up. Specialists from the Ministry of Light Industry are now conducting work jointly with workers from the wholesale bases of our ministry to eliminate the shortcomings noted by the commission.

The deputy groups are exerting an increasing influence on quality improvements in a number of the articles produced in the republic. We are aware of many of their good offices that are directly affecting the operation of the trade organizations. For example, at the rug fabric combine in Namangan city the deputy group is led by Munavar Sharipova. Following a series of complaints from the trade organizations and consumers, the people's deputies (there were 14 in the group) conducted a careful investigation of the production sections at the combine. They found violations of technology and determined what should be done to improve work conditions.

Not everything, however, could be resolved at the local level. So then the deputy group requested that a number of fundamental problems be discussed at a meeting of the republic Supreme Soviet Permanent Commission on Industry. The materials were then reviewed in the Uzbek SSR Supreme Soviet Presidium. It was proposed that the Ministry of Light Industry take effective steps to eliminate the shortcomings, which, incidentally, had also been observed at other enterprises. Much has already been done. This has been seen first and foremost in the fact that demand for the articles has increased and complaints about quality have been fewer. Similar work has been done by deputy groups at enterprises in Fergana Oblast. As a result, the quality of most goods delivered to trade has markedly improved.

The production of vegetables, fruit, grapes and melons is increasing in Uzbekistan, along with a corresponding increase in sales in the stores. And here, trade is counting mainly on local opportunities. The following task was set right at the start of the 11th Five-Year Plan: to insure supplies of horticultural produce for consumers year round. Implementation of the country's Food Program has helped in resolving this task. The delivery of produce to the state trade

network from the agricultural enterprises has become more organized and plentiful. The Ministry of Trade's private subsidiary livestock raising has made a definite contribution to this; every year the production of meat is increasing by an average of 1,000 tons.

Yes, the selection of foodstuffs and their quality are growing, but much remains to be done to provide citizens with good-quality foodstuffs in the amount required. This requires improvements in the organization and management of trade and the use of progressive forms that have already justified themselves. As, for example, the "field-to-store" system. Much must be done to improve the storage of products and the ability to deliver them to consumers in good condition. This will undoubtedly require greater discipline on the part both of the suppliers and the trade workers, and their close cooperation and constant concern to satisfy the consumer.

As a result of the steps taken in the republic, during the first quarter of 1985 retail turnover increased 1.8 percent compared with the corresponding period last year. However, the plan for this indicator was fulfilled only 98.3 percent. Not everything that should have been obtained from local industry was obtained, and even the trade organizations have not made use of all opportunities to meet the targets for trade turnover.

With constant help from party and soviet organs, the UzSSR Ministry of Trade is taking steps to seek out further additional commodity resources. Efforts are being made to improve quality. We are trying to participate in this matter using our own funding. The trade enterprises can and must become a reliable barrier against spoiled goods and bad taste. They should not accept articles that are produced with deviations from the accepted models and standards, and that enjoy no demand but sit there in the bases and stores. In order to prevent overstocking it is obviously necessary to reassess goods that do not sell well, or old stock, using the manufacturing enterprises. We think that this would be reasonable. In the final analysis those guilty of producing goods not ordered by the trade organizations or substandard goods should bear direct responsibility. This kind of situation will force the collective at each industrial enterprise producing consumer goods to take effective steps to improve their quality. Moreover, economic interests will encourage them to produce articles that are as good as the best models. Life demands that our domestic-produced goods meet the highest indicators in terms of durability, elegance and fashion, and enjoy high consumer popularity. The efforts of party and state are being directed toward this end.

After it had reviewed the question of court practice in handling the laws defining responsibility for the production of defective, substandard and incomplete sets of products at industrial enterprises, and also the production of such goods sold to trade enterprises, at a recent plenum the USSR Supreme Court gave rulings on these matters. They are aimed at undeviating observance of the interests of the consumer, and they will undoubtedly have a role to play.

It is essential to look ahead. Work is being completed within the republic on a comprehensive program to develop the production of consumer goods and the services sphere for the period 1986 through the year 2000. The draft

envisages increased production and expansion of the range for those goods that will be marketed primarily through the trade network. Consideration is also given to eliminating shortages for a whole series of articles. And here special significance attaches to the skillful use precisely of local opportunities, and businesslike and creative contact between the enterprises producing them and those offering them to consumers. Workers in industry in the republic and trade workers are focusing on this. These matters require a great deal of attention from the soviets, from the Supreme Soviet down to the local level. By the year 2000 the total volume of consumer goods production will have grown very significantly compared to 1985. With each passing year increasing quantities of high-quality articles will be appearing on the shelves of the stores. This means that we must also improve our operations in providing services for consumers.

Trade workers in Uzbekistan are now developing socialist competition to greet the 27th CPSU Congress in a worthy manner. It includes, in particular, the strengthening of businesslike cooperation between collectives at industrial enterprises and in trade. And this is the basis that should help us to successfully resolve the tasks set by the party and government in the field of providing high-quality consumer goods for the population.

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CONSUMER SECTOR POLICY AND ECONOMICS

KAZAKH TRADE MINISTER NOTES WEAKNESSES, STRENGTHS IN PRODUCTION

Alma-Ata KAZAKHSTANSKAYA PRAVDA in Russian 24 Jul 85 p 2

[Article by N. Tantsyura, KaSSR minister of trade: "From the Enterprise to the Customer"]

[Text] Demands are increasing on trade, on its production indicators and standards of service. And this is as it should be, since its role in increasing the Soviet people's prosperity is continually growing. And, of course, an ever-increasing portion of the personal consumption funds reaches the population through the system of trade. In order not to lag behind, trade, like any other sector, must develop on the basis of scientific and technical achievements, as well as progressive experience. In the well-known decree of the CPSU Central Committee and the USSR Council of Ministers, which defined the tasks for trade during the 11th Five-Year Plan, this requirement was assigned the top priority.

A particularly great deal must be provided by comprehensive, optimal efficiency measures, the most important place within which is occupied by conversion to delivering goods in packing equipment. It is precisely a radical re-structuring of goods movement which is opening up the way to great savings in labor and material resources, to solving a number of problems of a social nature.

This is not a simple matter because it affects not just trade alone. The KaSSR Council of Ministers, having approved for the last three years of the five-year plan measures with regard to introducing the comprehensive program of optimal efficiency of trade in the republic, also assigned tasks to the sectorial ministries, which are supposed to deliver their products to the stores in packing equipment.

The new forms of goods movement have required the modernization of enterprises, the technical re-outfitting of the stores and new technological solutions for them. Because, in order to achieve the desired effect, of course, it is necessary to organize the packaging of items, their delivery via special transport, and to equip the stores themselves so that they can receive the containers.

Despite the limited nature of its funds, the Ministry of Trade allocated approximately 3 million rubles annually for this purpose. Over the last four years more than 600 enterprises of the system were modernized, 6,000 sq. meters of trading space were freed up, and, by means of this, an additional goods turnover amounting to a total of 36 million rubles was achieved.

Another important task has emerged--to create a pool of equipment, to equip our enterprises with the necessary means of mechanization. Again we have had to resort to expenditures and no small ones at that. Almost 60 percent of the worn-out and obsolete equipment was replaced. Automation and electronics have begun to be used more widely. We have likewise had to organize the production of containers for transporting and selling goods. This matter has been tackled by an experimental plant engaged in making trade equipment and stock implements. Specialists at the Kaztorgmontazh Trust created a hand cart for shifting a container around. At present some 700 stores, or 68 percent of all the self-service food stores have been converted to operating with packing equipment. And the entire pool of packing equipment amounts to 115,000 units as well as 3,800 units of hoisting and transporting equipment.

In toto, an enormous amount of work has been carried out. Moreover, the best results have been achieved in the city of Tselinograd, where the industrialization of goods movement by way of an experiment had begun to be worked out earlier. They began here with the centralized packing of goods. At the base of the Prodtovary Association they opened up a workshop for packaging granulated sugar and groats. This has allowed them to sharply reduce the number of packers and, at the same time, to complete a significantly greater volume with respect to packaging goods.

However, industrial enterprises, without which it is impossible to introduce packing equipment, did not exhibit any particular activity in this matter. Nor was any genuine support then felt from the individual sectorial ministries. Then the bureau of the Tselinograd Obkom of the CP of Kazakhstan, the oblispolkom and collegium of the Ministry of Trade adopted a joint decree, entitled "On the Inter-Sectorial Comprehensive Program for Mechanizing Labor and Introducing Progressive Technology for Goods Movement in Retail and Wholesale Trade and at Enterprises of the Food and Meat-and-Dairy Industry of the City of Tselinograd." A coordination council has been set up under the gorispolkom. The ministry allotted to this city 2,400 containers and hand carts with a freight-loading platform. And the large plants of Tselinsel'mash, as well as those making sanitary-engineering products, pump and gas equipment, were assigned tasks with regard to the manufacture of containers. In their turn, the automotive-transport enterprises re-equipped 18 trucks for hauling them. Subsequently they obtained another 26 such trucks of industrial design. Tselinograd now has about 14,000 containers. All 64 of the city's food stores and five of its non-food stores now use packing equipment for the delivery and sale of goods.

How has this affected trade? Reserve supplies of goods in the trading halls have increased to 60--70 percent of the total volumes. Consequently, the customer, since he has free access to them, can have a greater choice for purchase. It takes less time for him both to select the necessary item and to pay for it at the cashier's. There has been an improvement in the use of automotive transport: savings on transport expenses have amounted to 320,000 rubles. For example, it previously used to take 50 minutes to unload one ton of dairy products; but now, by using special pallets, it takes only 17 minutes, i.e., a reduction by two-thirds. And the time required to unload bread has been reduced by five-sixths. Two trucks have been freed up in a two-shift operating schedule, and the savings from this, as calculated on an annual

basis, amounted to almost 40,000 rubles. As a whole, the labor expenditures, beginning with the unloading of the truck transport and extending to the unpacking of the goods on the trading hall, have been reduced in the store by more than nine-tenths.

And for the republic as a whole the utilization of containers is providing considerable savings in material and labor resources. Thus, in making the conversion to operating with packing equipment at the Alma-Ata packaging workshop of the former Gastronom system, the production of packaged items increased by a factor of 2.5, while the number of employees has been reduced by 30 percent. In these same areas and on this same equipment 16 tons of free-flowing [bulk] items per shift are packed instead of 5--6 tons.

A great deal has been done to raise the level of mechanization and the use of packing equipment in Alma-Ata, Chimkent, and Karaganda. Good rates of restructuring trade on the basis of progressive technology have been undertaken in Kokchetavsk, Semipalatinsk, and Pavlodarsk Oblasts. During the last two years within the system of state trade of these oblasts there has been a considerable expansion in the assortment of items being delivered in packing equipment.

Dissemination of the progressive form of goods movement depends, in no small degree, on Kazbakaleytorg's oblast wholesale centers. And they are making their own contribution to this cause: according to the office, the delivery of items in packing equipment increased last year, as compared with 1983, by more than double and amounted to more than 29,000 tons. The Kazgalantereytorg's centers are making increasingly broader use of this innovation. In certain places they have already begun to create dispatcher points for controlling the truck hauls. This will help in obtaining further advantages.

However, the scope of introducing the new technology of goods movement cannot be a matter for satisfaction. There are still many unresolved problems here. In a number of places the assigned tasks with regard to converting stores to operating with packing equipment have remained unfulfilled, e. g., in the Northern Kazakhstan, Gur'yev, Kustanay, and Dzhambul Trade Administrations.

Of course, not everything depends on the trade organizations. The industrial enterprises still do not wish to seriously engage in packaging goods and delivering them to the stores in packing equipment. But the trade employees have also committed quite a few errors. Thus, the retail enterprises of Pavlovsk have 2,000 containers, 70 fork-lift trucks, and 2 trucks with freight-hoisting sides. And, despite this, at 18 of the city's stores which have been prepared to operate with the containers only 60 tons of goods each have been delivered by the new method. Gur'yev Oblast has at its disposal 1,000 containers and 40 fork-lift trucks, but they are not being used at all for the delivery and sale of goods. For some reason the local Soviets have a tolerant attitude toward this passive point of view; these Soviets are supposed to keep under control and develop the progressive forms of trade.

It must not be forgotten that the program being carried out is inter-sectorial in its nature and presupposes the obligatory participation in it of enterprises of the food sectors and transport. But one often hears the opinion that

trade is more vitally concerned with the delivery of goods than anyone. And so, such people say, it is up to trade to push this matter through.

Trade is, indeed, vitally concerned. The annual freight turnover just for individual food items in the republic amounts to more than 5 million tons. And a considerable portion of the freight is shifted manually. But in industry also the problem of reducing manual labor in these operations is no less acute. The share of the loading and unloading operations here amounts to from 30 to 50 percent of the labor expenditures of the basic production item. Obviously, this should not be a matter of who needs packing equipment more but about the responsibility for the entrusted business at hand.

It has already been two years since the KaSSR Council of Ministers outlined the specific tasks with regard to making goods movement optimally efficient, and the ministries of the food industry, procurement, and others have done little to carry them out. The results are even worse in the Ministry of the Fruit and Vegetable Industry, which in 1984 did practically nothing to introduce packing equipment. Nor did the Kazakhrybpromsbyt organize the delivery of canned products in the new way.

We have the possibility of completely delivering bread and bakery products in packing equipment. However, scarcely more than a fourth of them are delivered. This method is used to deliver to the stores pastry and macaroni products, non-alcoholic beverages, beer, groats, and from 0.1 to 5.3 percent of flour. The industrial enterprises are experiencing an acute shortage of containers, while the ministry which was entrusted with the task of manufacturing 35,000 of them in the course of two years produced only 4,000.

Much aid in re-structuring goods movement, which is a major inter-departmental task, can be rendered by the local Soviets of People's Deputies. And in places where they have concerned themselves with this problem fairly good results have been achieved (Pavlodar, Kokchetav, and Semipalatinsk Oblasts). Matters are considerable worse in Dzhambul, Dzhezkazgan, and North Kazakhstan Oblasts, where the assigned tasks have been fulfilled by only 20--30 percent.

Operating with packing equipment requires the organization of industrial unpacking of food items. But here there are quite a few obstacles. Practically all vegetable oil arrives in trade in tanks and is poured out here by hand. The situation with regard to the deliveries of flour, groats, granulated sugar, etc. is no better. We have been compelled to set up our workshops for unpacking and to bear considerable expenditures. But, you know, according to the Food Program, by 1990 the production of the basic food items is supposed to reach the level of 60--70 percent.

There must also be a serious re-structuring in the transport of non-food items. The first steps here have been taken by the wholesale centers of the Kazgalantereytorg Office. But this is only a beginning. The wholesale enterprises and retail trade organizations must take all measures to increase the shipment into stores of goods in containers directly from the industrial enterprises. In places where this has not managed to be done the wholesale centers must take upon themselves the task of delivering to the retail network detergents, paints, and other such items solely in containers. The economic effect

to be derived from introducing the new system of goods movement has been estimated to amount, as calculated on a yearly basis, to more than four million rubles. Furthermore, 2,500 persons engaged in manual operations are being freed up.

And still the results could be and should be more significant. It is necessary to strive intensively to achieve a situation whereby packing equipment is used with the maximum load. A container is supposed to make at least 60 round trips a year and deliver to a store 12 tons of products instead of the 20 round trips as of today.

At the same time we must solve the problem of returning glassware from the stores. Here it is important to eliminate empty return trips by truck transport. In Tselinograd the wages of the drivers have been made dependent upon loading their trucks with dishes. This experience should be disseminated throughout the republic.

During the 12th Five-Year Plan work should be carried out with regard to converting the stores to operating with packing equipment. It is understood that the efforts of trade alone here are insufficient. It is necessary that the ispolkoms of the Soviets of People's Deputies in the localities, along with the party and economic organs, proceeding from the tasks set forth by the general secretary of the CPSU Central Committee, M. S. Gorbachev, at a conference in the CPSU Central Committee on the problems of speeding up scientific and technical progress, more specifically and insistently approach the solution of the problems of the comprehensive efficiency improvement of trade and make the maximum utilization of local resources and potentials. It is important that the managers of enterprises see, know, and correctly understand the prospects, scope, and socio-economic significance of the new technology for goods movement and facilitate its development with all measures.

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CONSUMER SECTOR POLICY AND ECONOMICS

ESSSR LIGHT INDUSTRY MINISTER INTERVIEWED ON EXPERIMENT

Tallinn SOVETSKAYA ESTONIYA in Russian 10 Jul 85 p 1

[Interview with EsSSR Minister of Light Industry Yuriy Andreasovich Kraft, by correspondent Ya. Tolstikov: "On the Path to An Industry-Trade Complex: In the Republic's Ministry of Light Industry A Major Economic Experiment Is Being Conducted"; date and place not given]

[Text] Our newspaper has already talked about under what conditions this republic's Ministry of Light Industry is conducting an experiment aimed at better satisfying customer demand. Enterprises have already been working under the new conditions for half a year. SOVETSKAYA ESTONIYA is continuing to follow the course of events. Our correspondent, Ya. Tolstikov, requested EsSSR Minister of Light Industry Yu. A. Kraft to answer a number of questions in this connection.

[Question] Yuriy Andreasovich, what are the initial results of the economic experiment?

[Answer] It is still very early to give a summary evaluation. Six months is too short a time period. Nevertheless, there are some things to be said. One of the basic indicators now evaluating the work of light industrial enterprises is fulfillment of the plan for deliveries. During the first half-year it amounted to 99.8 percent. Nevertheless, it did not quite reach 100 percent. But, on the whole, the situation has improved, including that at the Kommunar, even though the principal portion of the shortfalls, as before, have occurred precisely at this enterprise. But there are also objective causes. Nevertheless, to master the production of new items on new equipment in new production areas, as the Kommunar group has to do, is not a simple matter. There has been a significant increase during the half-year in the production of cotton and linen fabrics, hosiery and handkerchief items, haberdashery, and sewn-garment products. All the indicators are above the plan amounts. And this is a direct consequence of the experiment.

Our republic's light industry is successfully coping with the assigned tasks of the five-year plan. An important indicator for evaluating our work is likewise the percentage of product renewal. In the sewn-garment sector it amounted to 47 percent, and in the footwear sector--59 percent. Many interesting innovations have appeared in the linen and cotton sectors. And, on the whole, the proportion of items with the "N" index (new item) amounted to 43.4 percent; the six-month plan for their production was exceeded by a great deal. These are the highest indicators in the country.

[Question] You are operating with some rather large figures. Is it sufficient, however, from the customer's point of view, to renovate the products in the course of a year, let's say, by 50 percent?

[Answer] Certain articles, for example, sewn garments, must be completely renovated. This process is being delayed, in particular, by the lack of the necessary fabrics coming into fashion this season. Nevertheless, we consider even the present results to be not bad. One of the conditions of the experiment has had a favorable effect, namely--the granting to many of our enterprises the right to set for themselves provisional prices on new items of improved quality. Such a right is now possessed by the Krengol'm, the Marat, the Association imeni V. Klementi, the Baltika, the Sangar, Punane Koyt, Mistra, and Sulev. Moreover, at six more enterprises branches of the artistic and technical council have been created, and this has also simplified the process of "launching" new items into production.

[Question] But let's return to fabrics. Suits are now coming into fashion made of light-colored and lightweight material; they enjoy particular popularity among young persons. But these are all predominantly imported items. And what about our industry? What about the Krengol'm Manufacturing Combine, for example, which is famous for its own innovations?

[Answer] Yes, the so-called blended fabrics are now very much in fashion. But in order to produce them, the republic needs to modernize its individual production lines. This will be carried out in the next five-year plan.

[Question] And so the textile industry is still lagging behind the demands of the present day?

[Answer] I think that such fabrics will be in fashion after five and even ten years. Let me remind you, however, that with regard to many positions, in particular, with regard to pure cotton and linen fabrics, we are keeping in step with the times.

[Question] The Estlegsby Administration and the Esttekstil'torg Wholesale Center of the Ministry of Trade have now been transferred to the Ministry of Light Industry. The network of company stores has been expanding. All of this comprises a foundation for setting up an integrated industry-trade complex in this republic. Are there already some tangible results of this process?

[Answer] Indisputably. The industry has begun to be somewhat better provided with the necessary raw materials and other materials, and the possibilities for exchanging goods with other republics have been expanded. This is the result of removing departmental barriers. We are also being well-aided by the company stores; with their help the industry has begun to sense the nuances of demand much better. All the stores are successfully coping with the plan for goods turnover, ensuring its steady increase. The Estlegtekstil' Center (formerly Esttekstil'torg) is likewise operating successfully, stepping up its sales pace. However, only the first step has been taken on the path to setting up an integrated industry-trade complex. We will not be successful until the centers for wholesale trade in clothing and footwear, as well as new company

stores engaged in the retail trade in these items are transferred to the Ministry of Light Industry. Because, of course, trade in fabrics encompasses only 20 percent of all purchases destined for people's wardrobes. The remainder still are under the jurisdiction of the Ministry of Trade. This contradicts the conditions of the experiment, which provides that the Ministry of Light Industry bear full responsibility for satisfying the demand of the population. I want to be correctly understood here! Light industry has no intention at all of taking on for itself the functions of trade. Our company stores are intended exclusively for studying the demand and will occupy no more than one or two percentage points in the Ministry of Trade's goods turnover.

[Question] We have already touched upon the questions of price formation. However, particularly fashionable items, as a rule, are always more expensive. But now it seems that the ministry can lower prices at its own discretion. Is that right?

[Answer] Yes. Under the new conditions we were able to create a financial reserve, which also allows us to lower retail prices on items the demand for which has declined. And we are already taking advantage of this right. Prices have been reduced considerably, for example, on a number of woolen fabrics --upon agreement with trade. In this case too the customer comes out ahead.

[Question] The conditions of the experiment have provided for the application of additions to salaries or wage rates--for an additional increase of labor productivity, a better satisfaction of the orders from trade, professional skills, etc. Is this additional incentive for specialists and workers already being used?

[Answer] Yes, such additions have already been instituted for more than 5,000 of our employees, including 3,600 workers. Moreover, bonuses have been set up (and paid out) for the mastery of items which are new in principle. All of this provides good incentives for initiative and skills.

[Question] Has the contract form of labor organization already been put to use?

[Answer] In the first place, I must emphasize that, although this form assumes the attraction to producing additional products of specialists and workers of the enterprise in question beyond the limits of their basic working time, it must not be identified with overtime. A contract assumes complete voluntarism and is carried out on the basis of an agreement between the employees and the management of an enterprise. Both sides come out ahead, while the main winner is the customer, since he obtains an additional product for which there is a heightened demand. Such a form of labor organization has already been used at the Baltika and at the Pyarnus Linen Combine. From complete use, however, has been made so far of the advantages of a contract. It is obvious that its more widespread use is being hindered by the unusual nature of this innovation--it somehow creates a certain psychological barrier in the consciousness, and this remains to be overcome.

[Question] Evidently the experiment has also revealed definite shortcomings and posed new problems. Is that right?

[Answer] The experiment being conducted in this republic's Ministry of Light Industry, of course, requires improvement and further development. Thus, the methodology of price formation has so far not stimulated the output of a less material-consuming product. The price on fabrics is now higher as the material becomes thicker and heavier, whereas the thin and, as a rule, fashionable fabrics are sometimes less profitable to produce. It turns out that, at the beginning, we create a material-consuming item, and then, calling for thrift and savings, we begin to re-process it. This is basically erroneous. Thrift must begin from the moment when a new product is planned. And price formation should stimulate the search for the most economical solutions.

The procedure for formulating plans in physical terms needs to be simplified. If an item has not sold at the wholesale trade fair, we must, therefore, be more bold in taking it out of production or reducing the volume of output--while retaining for the ministry as a whole the production plan in monetary terms.

Our ministry likewise joins with the directive organs with regard to the following proposal. It is difficult for large production lines to re-tool for the production of a new item, all the more so if the latter is to be produced in small batches. It would be feasible to also create small enterprises which would specialize in producing small runs of particularly fashionable clothing, haberdashery, etc.

The most urgent problem, and this was noted during the course of our interview, is the lack of our own country's fashionable fabrics of the new structures. A radical solution to this problem can be achieved only by modernizing the textile enterprises, in particular, the individual production lines, on the basis of up-to-date, highly productive equipment.

Solution of these as well as a number of other problems will allow us to discover new possibilities afforded by the experiment to more rapidly solve its main task--a more complete satisfaction of the population's demand for light industrial items, for an expansion of their assortment, and an improvement of their quality.

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CONSUMER SECTOR POLICY AND ECONOMICS

UKSSR MINISTER COMMENTS ON FOOD INDUSTRY EXPERIMENT

Moscow EKONOMIKA SELSKOGO KHOZYASTVA in Russian No 7, 1985 pp 10-12

[Interview with Grigoriy Dmitriyevich Zagorodniy, Ukrainian SSR minister of the food industry: "Under the New Management Conditions"]

[Text] In EKONOMIKA SELSKOGO KHOZYASTVA No 8, 1984 we published an interview about the course of the experiment being conducted in the UkSSR Ministry of the Food Industry to extend the rights of the production associations (or enterprises) in planning and managing their activities, and to enhance their responsibility for work results.

Taking into account the great interest of readers, the editorial office has deemed it appropriate to inform them systematically about the further course of this experiment.

We publish below the answers of the UkSSR minister of the food industry Grigoriy Dmitriyevich Zagorodniy to the editor's questions.

[Question] In the system of measures adopted by the CPSU and Soviet government to restructure the economic mechanism, an important place was assigned to further improvement in management at all levels of the national economy, including the agro-industrial complex. As was pointed out at the CPSU Central Committee April (1985) Plenum, while further developing the centralized basis used to resolve strategic tasks, it is essential to move ahead more boldly along the road of extending the rights of enterprises and their independence, and to introduce cost accounting and on that basis enhance the responsibility and interest of the labor collectives in the final results of work. It is precisely to resolve these tasks that the economic experiment was embarked upon at the enterprises and associations of the UkSSR Ministry of the Food Industry. The first year of operations under the new conditions has now passed. What have been the main results?

[Answer] The year of operation under the new conditions has shown the great effectiveness of implementing the measures drawn up to extend the rights of enterprises and enhance their independence and responsibility, and to strengthen their interest in final results. In 1984 all enterprises fulfilled their

output marketing plans, taking deliveries into account. And from 1977, when this indicator was introduced, right through to 1983, for the industry as a whole this was not done once.

Contract discipline has been strengthened with regard to deliveries of output within the group range, and as a result fines for violation of contract were more than halved during the year. Under the conditions of the experiment, contacts with the trade organizations have been considerably expanded, and enterprises have had an opportunity to take consumer demand into account on a more immediate basis.

The economic levers envisaged by the conditions of the experiment have promoted a strengthening of discipline in output deliveries. These included, in particular, increasing the material incentive fund 15 percent for fulfillment of the marketing plan, taking deliveries into account, and contrariwise, a 3-percent reduction in the fund for each one percentage point of nonfulfillment of the plan; allocating up to 60 percent of all incentive bonuses for fulfillment of the marketing plan; and paying out one-time bonuses to leading workers at production associations (or enterprises) in a sum equal to up to three times the maximum amounts established for bonuses according to salaries for the post.

On the whole, throughout the system of the UkSSR Ministry of the Food Industry all plan targets were reached in 1984. Foodstuffs worth R121 million more than in 1983 were sold. The production plan for all the most important kinds of articles was overfulfilled, and the production of many of these articles was above the 1983 level. The output of prepackaged goods and of goods packaged using progressive forms of packaging was increased.

Under the new management conditions the number of enterprises failing to meet their plan targets fell sharply. Whereas in 1983 the marketing plan was not fulfilled by 30 enterprises, in 1984 the number was only 4. The number of enterprises lagging behind the plan for labor productivity was reduced by a factor of 11, and the corresponding numbers for those lagging behind the output prime cost plan and the profit plan fell by factors of 13 and 8 respectively. Quality was improved and the range of output was enlarged. All sectors of the republic's food industry fulfilled planning tasks for the output of high-quality goods and exceeded this indicator for 1983, particularly in the production of a number of new food items with enhanced nutritive and taste qualities.

[Question] How has the extension of the rights of production associations (or enterprises) affected the search for and utilization of internal production reserves, labor productivity growth and reductions in prime costs?

[Answer] One of the most important results of the experiment is that the labor collectives have started to pay much more attention to economic indicators, and they are persistently looking for ways to improve production efficiency. Thus, all food industry sectors overfulfilled the annual plan for labor productivity growth by more than 1 percent, that is, they fulfilled their socialist pledges. The above-plan savings achieved from reducing production prime costs amounted to R58 million, or 0.6 percent. The profit plan and payments to the budget were overfulfilled. The normativ method for profit distribution made it possible

to strengthen payment discipline, create financial reserves, and generally improve the financial position of enterprises. Losses of work time were reduced 25 percent.

A special mention should be made of the extension of enterprise rights in permitting some retooling to be carried out using funds from the production development fund. Under the conditions of the experiments these funds are planned as part of state capital investments as noncentralized capital investment with allocation of the essential material-technical resources. This enabled the enterprises to assimilate R57.5 million of noncentralized capital investments in 1984, and to commission additional capacities for processing sugar beet, bakery and confectioner's items, canned fruit and vegetables, nonalcoholic beverages, mineral water, baker's yeasts and other products. This growth in production capacities will provide additional output worth R50 million this year.

Implementation of the economic levers envisaged by the economic experiment has promoted an acceleration in the rate of scientific and technical progress. All tasks to introduce new equipment and progressive technology in industry have been fulfilled, and the volumes of bulk deliveries of raw materials and finished goods, and of pallet and container shipments increased significantly. The delivery of bread to the trade networks in containers was introduced in all oblasts of the republic. Enterprises were interested in meeting plan targets with the least possible numbers of personnel, and in looking for ways to raise the level of mechanization in production processes. Steps taken to mechanize and automate these processes provided an opportunity for exceeding the planned proportion of workers engaged in mechanized labor.

As a result of the improvements in work indicators at the production associations and enterprises it became possible to additionally deduct (in accordance with the conditions of the economic experiment) from the profit left to the enterprises R11.6 million into the material incentive fund, R1.8 million into the fund for social and cultural measures and housing construction, and R3.8 million into the production development fund.

The rights of enterprises with regard to material incentive for the workers have been considerably extended. Last year higher rates were established for additional payments to wage rates for workers in skill categories IV-VI (from 1985 this will also include skill category III). Permission was granted to pay engineering and technical workers and employees additions of up to 50 percent of their salaries. In 1984 the number of workers receiving additional payments rose by a factor of 7.9, while the figure for engineering and technical workers and employees was 25 percent. However, this effective economic lever is not being adequately applied everywhere. Instances have been noted where additional payments were established for workers that fail to exert any direct influence on improvements in technical-economic indicators. Proportionality in the establishment of additional payments for workers and the additional payments for engineering and technical workers and employees has not always been insured. Appropriate steps have been taken when such cases have been found.

Simplification of the procedure for cross-utilization of labor has made it possible to free up 2,100 peoples for other work. More than 74 percent of

all workers are working in brigades operating on the basis of collective contracts, and the number of cost-accounting brigades has grown significantly.

The introduction in all sectors of the republic's food industry of the normative method for planning and calculating the wages fund for industrial production personnel has eliminated subjective solutions when determining the size of this fund. In 1984 both an absolute and a relative saving was achieved in the wages fund. Compared with 1983 it increased 22 percent reaching R21.5 million. And this is after the payment of all additional payments and allowances. Compared with its baseline level, the wages fund for industrial production personnel is growing at slower rates than the volumes of output.

It would be possible to cite numerous figures testifying to the positive influence of the experiment on improving production efficiency; but at the same time we see that up to now it is mainly the "surface" reserves that have been affected. Now more attention is being focused on the search for and utilization of the deep reserves, first and foremost through introducing the achievements of scientific and technical progress and making increasingly efficient use of the available production potential.

It should be said that the severe winter of 1984/85 made the operation of the republic's food industry very complicated. This has been reflected in particular in the work of the sectors that process output packaged in glass containers, namely nonalcoholic beverages, mineral waters, and bottled fruit and vegetables. The ministry has worked out appropriate measures, and in most places the situation has been rectified.

Naturally, the unforeseen circumstances mentioned have exerted an adverse effect on work to improve production efficiency and consequently on the accuracy in conducting the experiment and checking its provisions in practice, particularly during the circumstances prevailing since 1 January 1985.

[Question] Griogiry Dmitriyevich, obviously during the course of the experiment the need has also become apparent to clarify individual conditions in the manner in which it is being conducted. In your opinion, what additional economic steps must be taken to extend the rights of the economic organs in planning and management activity, and to strengthen their responsibility for work results?

[Answer] During the course of the experiment it has become clear that some of its provisions and economic norms are not exerting adequate stimulation on work efficiency at enterprises and, in my opinion, require further improvement. Take, for example, the production development fund. Even though its size has grown under the conditions of the economic experiment it is still not insuring that production capacities are maintained at the required level. The norms established for forming this fund inadequately take into account the status of the technical base for the food industry in the republic. But in and of itself, increasing the norms will not solve the problem. Assets from the production development fund should be embodied in the necessary equipment otherwise they will, as before, become immobilized. Unfortunately, our industry's requirements for modern, highly productive equipment is by no means being fully satisfied.

It should also be noted that enterprise retooling using assets from the production development fund should usually be done using the economic method because the technical base for the contract organizations and enterprises of the construction industry under the UkSSR Ministry of the Food Industry does not permit any substantial increase in the volumes of this work.

Practice shows that the question of reducing the range of indicators confirmed for the enterprises has not been finally resolved. Many of the confirmed indicators have been made into calculated indicators, but in a number of cases locally they are not drawing the distinction between confirmed and calculated indicators and are demanding obligatory fulfillment of the latter by the enterprises. We realize that in order to insure centralized leadership, in particular in the compilation of material balances, some of the confirmed indicators are inadequate, but at the same time we also see clearly that today we can already reduce the number of calculated indicators passed on to the enterprises without causing any harm.

Under the conditions of the economic experiment questions of enhancing cadres' sense of responsibility for the sector assigned to them, precision and proper organization of work, and indoctrination of leaders in a spirit of socialist initiative are assuming special keenness. In this connection it is necessary to emphasize that the collectives of enterprises belonging to the UkSSR Ministry of the Food Industry understand the crucial tasks that have been set for them in further developing production under the conditions of the economic experiment, and they will apply all their efforts to successfully resolving them.

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CONSUMER SECTOR POLICY AND ECONOMICS

CHANGES IN ESTONIAN LIGHT INDUSTRY BOOST PRODUCTION

Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 18 Aug 85 p 2

[Article by Yu. Kraft, minister of light industry of ESSR: "Learning Enterprise"]

[Text] ESSR light industry has embarked this year on an economic experiment, the conditions of which have important features. First of all, the Ministry of Light Industry of the republic has for the first time in department practice taken over from the republic State Committee for Material and Technical Supply the function of providing raw materials to its enterprises. It has assumed this together with the appropriate structural supply subdivision. Secondly, we have assumed from the Ministry of Trade the wholesale textile base and, coorespondingly, have broadened the network of firm stores. In other words, the textile trade is now in our hands. Acquiring the necessary experience, we plan to experiment with a number of stores of this profile, and, within our capability, also with the wholesale footwear and clothing bases. That is, we will sell all that we produce. And finally, in order to accelerate modernization, at the Ministry of Light Industry ESSR an organization is being created which will design and build units of an estimated value of up to 4,000,000 rubles.

It is not just a matter of broadening the organizational, management, technical and economic functions of the republic department; a qualitatively new comprehensive approach by economists to their duties and rights is being realized, which although more complicated, will open new horizons. The restructuring of economic policy also entails a psychological restructuring. New levels of economic thinking are being developed.

And the changes have begun to show in the economic results. Corrections as such have disappeared. Contractual obligations for deliveries have almost completely been fulfilled. The plan for growth in labor productivity and the output of articles with an index "N" has been exceeded. I stress in particular: the wholesale textile base has also exceeded the plan for production of cloth. The quotas for retail commodity turnover in stores have also been exceeded. By the way, when we assumed it from the Ministry of Trade, it was in disarray. And now, in the course of formulating a plan for the next year--the first year of the new five-year plan--we have pressed for an increase in

quotas as opposed to the planned controlled volumes: we will issue 770,000 square meters more of cotton and linen materials (and they are still deficient), and we will produce an additional quantity of not less than 230,000 additional items of knitted wear.

Economic success? Yes, of course. It was born of a higher technical level of enterprise and better methods of management. But chiefly, I think, the new conditions have awakened the moral reserves of the labor collectives. Economic decisions which are undertaken (if they are actually worth doing) draw us toward a qualitatively new mode of action.

When we speak of economic decisions, usually we turn to the experience of the "Krengolmskaya manufactura" collective, the largest textile combine in Estonia. It is well known in the industry: it systematically occupies prize positions in the All Union Socialist Competition. But, in fact, most people do not know that in its factories the only old things remaining are its walls and foundation and rich traditions of the highly qualified collective. Rearm- ing themselves technologically, the Krengolm workers at the same time are developing essentially new types of products, introducing them into production and raising consumer properties of goods to the level of the best examples in the world.

The director of the combine, Oleg Gennadiyevich Klushin, believes that the leader should above all develop in people the quality of decision making. I know what effort was required of the then young director to strive simultaneously to restructure the old shops while creating new objects for the daily life of socialist culture. Even in the ministry, we didn't always meet him half way. But he stood his ground. He had promised the collective modern conditions of labor and life, both as a director and a member of the Communist Party Central Committee of the republic, and as a deputy of the Supreme Soviet of the ESSR. Commitment and trueness to his word have become for Klushin basic educational work, which also, during the onset of a period of labor unites the collective, inspires a feeling of optimism and imparts a taste for independent action. And, it is unsurprising that the majority of initiatives which have spread throughout the light industry of the republic were born at Krengolm.

It is not easy for economists even with the highest professional reputation to lead a collective and educate them by their own example as to the unity of word and action. This quality does not manifest itself quickly, but is formulated gradually, according to accumulated knowledge and management experience. But I am convinced: it is necessary to study both the ability to make competent decisions and enterprising management. This includes our colleagues also.

There is R. Aygro, director of "Baltiyskaya manufactura." He was enthralled by the new technology, by the problems of comprehensive retooling. He was the first one in the country to decide to equip a combine with a pneumatic spin

ning assembly and shuttleless loom. An innovator by nature, Aygro brought rationalization to the collective with his rush toward economic management.

I cannot say that in "Baltiyskaya manufaktura" the educational activity of the management can be reduced to the severe prose of mechanization. Among Tallin textile workers, for example, emotionally, communist Saturdays occur: all, including the chief specialists, go in for a shock shift at the work stations of multi-machine operators. The educational function of the management is manifested in this, also.

Economic policy must be socially directed. This is axiomatic. But how can it be realized in a practical sense? Let us take as an example an assortment of goods for the people. It can be adjusted by its technical level, and may be constructed on the basis of need and tastes of the population, forecasting tomorrow's and day after tomorrow's requests. A second approach is preferable, although more complicated. But upon desire, it is possible to bring it to life. All that is necessary is to assume completely the responsibility which is placed upon you, the economic manager.

Let us take the Klementi swine association. Its product is undoubtedly in demand. And why? Its director, L. Allike, has rallied around himself an excellent management team, directed toward searching for new solutions both in the organization of production and in the creation of a new psychological climate within the collective.

Such teams are usually formed by the method of trial and error. Now, we are striving to train the economic manager as a leader in the full sense of the word on a systematic basis. It is a very complicated matter. The planning and construction bureau of the systems of the department of the ESSR Ministry of Light Industry handles organization of the training. The main idea of the training is that each experienced economic manager should transmit his experience not only to the young, but also to all our leaders, from the brigade to the ministry. We will exchange with each other ideas and skills.

I acknowledge that I have drawn much of the useful analytical information which I have shared with you from the 26-year-old director of the Valgaskaya swine factory, a graduate of Tartu University and cyberneticist by education, M. Milder. As an economic leader he is young, but he already commands the authority of a fine educator.

In general, we are orienting our personnel selection system toward the early manifestation of abilities in a person for organizational and educational activity. We are trying to find students who are interested in the problems of management already in the first years of the VUZes (humanities included), and attract them to a circle of interests and occupations of the branch. Thus, we are trying to form a reserve of management personnel for enterprises. It has become a rule that candidates of the reserve should also master another, adjacent profession: along with the speciality of engineer or economist, he must obtain an education in psychology.

That such an approach is workable is demonstrated by the experience of Yu. Kodres, 30-year-old deputy general director for personnel at the leather footwear association "Kommunar." He is a psychologist in the "pure" form. He came to us after the university, and we hired him as a probationary doubler for a series of administrative posts. Of course, it is difficult to evaluate the work of such leaders quantitatively. But now, when I compare this association with others, and I see that this collective has become more stable, more educated, that rarely is the flow stopped and that there is a higher interest among the workers in technological creativity and in economic affairs.

It is assumed that the educated work of an economic manager should be directed and is directed by the political institutions of the party organization. And each of us, economic managers, in any of our decisions should--or to put it more strongly--must see above all the political meaning which will result from it. Only then will the required unity of word and deed be achieved.

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FOOD PROCESSING AND DISTRIBUTION

USSR MEAT, DAIRY INDUSTRY MINISTER ON SECTOR PRODUCTIVITY

Moscow MOLOCHNAYA PROMYSHLENNOST' in Russian No 6, Jun 85 pp 1-5

[Article from report by Ye. I. Sizenko, USSR minister of meat and dairy industry, at a meeting of the directors: "Improve the Quality of Output"]

[Text] The most important sector of work by enterprises of the meat and dairy industry is all-out improvement in the quality and rise in the nutritional and biological value of the output being produced, in particular sausage articles and cheeses.

These issues were the subject of an all-Union conference of foremen of these enterprises on 5 March 1985 and of enterprise directors on 21 March. Ye. I. Sizenko, USSR Minister of Meat and Dairy Industry, presented reports at these two conferences.

Participants at the conferences included important employees of the apparatus of the CPSU Central Committee, the USSR Council of Ministers, USSR Gosplan, the Central Committee of the Trade Union of Food Industry Workers, and the central apparatus of Minmyasmolprom [USSR Ministry of Meat and Dairy Industry], as well as scientists.

The topical selection of articles being published in this issue is devoted to issues discussed at the conferences.

Improve the Quality of Output

(From the report by USSR Minister of Meat and Dairy Industry Ye. I. Sizenko at the conference of directors)

Concern for improving the well-being of working people has been and remains the focus of attention for our party and the Soviet State. Vivid proof of this is seen in the Extraordinary Plenum of the CPSU Central Committee held in March of this year, whose documents and resolutions demonstrated with new force the inflexibility of the CPSU's Leninist policy and the consistency of its foreign and domestic policy.

The speech by Comrade M. S. Gorbachev, General Secretary of the CPSU Central Committee, at the Plenum emphasized the party's strategic line of accelerating the

country's socioeconomic development and improving all facets of the life of Soviet society. This line of action covers transforming the material-technical base of production, refining the system of social (above all economic) relations, and development of "man" himself, his spiritual make-up, as well as qualitative improvement in his living conditions.

Guided by these directives the working people of the meat and dairy industry must apply all their efforts to successfully fulfill their tasks of further increasing the production of food products and raising their quality.

It has been three years since the May 1982 CPSU Central Committee Plenum of May 1982, which ratified the Food Program for the period until 1990. In this short time, however, notable changes for the better have taken place in the country's agroindustrial complex. The organizational and economic measures ratified at the Plenum of the CPSU Central Committee are producing greater returns with each new day. Consistent implementation of party agrarian policy has resulted in the creation of favorable conditions for a further increase in the production of meat and dairy products. In the first four years of the five-year plan state purchases of livestock rose from 15.8 to 18.1 million tons or 14.5 percent, and purchases of milk went from 57 to 66 million tons, an increase of 16 percent.

The working people of the meat and dairy industry, relying on the good results achieved by agricultural workers in production of animal husbandry output, fulfilled the 1984 plan ahead of schedule and produced, beyond the plan, 254,000 tons of meat, 74,000 tons of animal fats, 870,000 tons of whole-milk output, 13,000 tons of natural cheeses, and other output worth 1.4 billion rubles. In all they produced output worth more than 40 billion rubles last year.

With the growth in volume of production of output, it was possible to increase sale of products to the population in 1984 as compared to 1983 by 7 percent for meat and meat products, 8 percent for animal fats, 3 percent for whole-milk output, and 6 percent for cheese.

When critically assessing the results achieved, however, we must admit that they are only the first step in realizing the decisions of the May 1982 Plenum of the CPSU Central Committee. The bulk of the work, the most important and difficult work, still lies ahead.

The Food Program envisions reaching the following production targets in 1990: 12 million tons of meat, 3.4 million tons of sausage goods, 1.6 million tons of animal fats, 31.3 million tons of whole-milk products, and 1 million tons of cheese. By the end of the 12th Five-Year Plan the total volume of production of output is supposed to rise to 53 billion rubles, which is 30.5 percent more than planned for 1985. Moreover, along with a significant increase in the production of food products a great deal of work must be done to fundamentally improve their quality and raise their nutritional and biological value.

Under the leadership of the Communist Party, persistent work is going forward everywhere today to reinforce and develop positive trends and bring the 11th Five-Year Plan to a successful conclusion. The plan of economic and social development in the final year of the five-year plan aims at this goal.

Guided by the instructions of directive organs as to the need to switch industry to the intensive path of development and to conserve raw and processed materials and fuel-energy resources, the labor collectives of the dairy industry adopted socialist obligations to complete the 1985 plan by 29 December, fulfill all contracts and orders for delivery of output at the agreed times, achieve above-plan savings of at least 31,000 tons of meat, 353,000 tons of milk, 47,000 tons of standard fuel, 276,000 gigacalories of heat energy, and 48 million kilowatt-hours of electricity through rational use of raw materials and cutting losses of them, and to work for two days using the resources saved and in this time produce output worth 248 million rubles.

Fulfillment of these obligations will be an important contribution by working people of the meat and dairy industry to realization of the National Food Program.

It is common knowledge that the products produced by the meat and dairy industry play an important part in feeding Soviet people, and therefore their taste qualities and outward preparation must be on the highest level. This applies especially to sausage goods and cheeses, which are in heightened public demand.

Among the enterprises who are fighting constantly to raise quality and as a result produce good cheeses are the Bereslavskiy Cheesemaking Plant in Kherson Oblast, the Pervomayskiy plant in Stavropol Kray, the Leningradskiy Cheesemaking Combine in Krasnodar Kray, the Bystryanskiy Cheesemaking Plant in Altay Kray, the Belebey Dairy Combine in the Bashkir ASSR, the Valmiyera Dairy Combine in the Latvian SSR, the Kalinin Head Cheesemaking Plant in the Armenian SSR, and the Vyru Dairy Combine in the Estonian SSR.

If we speak of the volume of cheese production, it has risen from 176,000 tons in 1960 to 777,000 tons in 1984, or increased by more than 4.4 times. As a result it has moved from being a snack item to a mass-consumed product.

At most enterprises, however, the increase in volume of cheese production has not been accompanied by an improvement in its quality. Many types of cheese have lost their best, distinctive taste qualities, and customers correctly observe that it is sometimes hard to tell one cheese from another, their taste, color, and smell are so similar.

The USSR ministry, republic ministries, and many associations and enterprises have been subjected to serious criticism by the party Central Committee and USSR Council of Ministers numerous times for the poor quality of output produced. Articles about this appear in the central and local press and the Ministry and party and Soviet bodies receive justified complaints from consumers.

We cannot say that enterprise managers do not know about these shortcomings. Steps are, of course, being taken. But they have not produced the desired results yet. This is illustrated, for just one instance, by the fact that there were 320 cases last year where trade organizations imposed special conditions for acceptance of dairy products because of systematic production of products that deviated from standards and technical specifications. Cheesemaking plants of the Bashkir, Kalinin, Yaroslavl, and Pskov Dairy industry associations of the

RSFSR and the Gomel, Minsk, and Grodno associations of the Belorussian SSR delivered cheeses that did not meet the requirements of the state standard to Moscow.

The percentages of cheeses that were rejected as unacceptable or regraded to a lower classification increased at enterprises in the RSFSR, the Ukrainian SSR, the Kazakh SSR, and the Kirghiz SSR. Each case where the product is rejected as inferior and not accepted by the trade system because of its poor quality should be viewed as an emergency and decisive steps should be taken without delay to eliminate the causes of these things and hold the responsible persons accountable.

A natural question arises: why have we not been able, to the present time, to organize the work so that only top-quality output is produced and delivered to the population?

Inspections have shown that the principal reasons are the careless attitude of some foremen, production engineers, shop chiefs, and other officials toward performance of their service duties and violations of production and technological discipline by them. In addition, the accountability of engineering-technical personnel for precise observation of technological requirements that insure production of output with guaranteed quality has been allowed to decrease.

One of the main reasons for the production of poor-quality cheeses is the fact that unsuitable milk is often used in its production. Despite this, no vigorous struggle to improve the quality of the raw material is being waged.

All enterprises today belong to agroindustrial associations, which makes it possible to step up the struggle to obtain high-quality milk suitable for making good cheese from the farms. At the same time, association and plant managers are not using existing opportunities and do not set these matters forcefully before the appropriate organs.

Some cheesemaking plants are not giving proper attention to preparation of the leavens and testing the quality of enzymes and do not carry on the required chemical and microbiological monitoring. One can often find messy production areas and neglected technical equipment. The essential conditions are lacking for workers to observe personal hygiene rules. Of course, this situation cannot be tolerated further.

The central problem is improving the quality of output and raising its nutritional and biological value. The main role in solving this paramount problem goes to association and enterprise managers, who are personally responsible for the quality of output produced. The heads of labor collectives are given all the rights necessary to organize production. They are the ones who introduce everything new and progressive. The final results of the labor of collectives depend to a decisive degree on their efforts and business-like approach, dedication to the work, initiative and competence, and ability to work with personnel.

Many excellent managers, engineering-technical personnel, and production foremen with great experience in organizational work who devote all their efforts and knowledge to their job are laboring in our industry.

On 5 March of this year an all-Union conference was held at the Ministry on raising the quality of output produced. The best foremen from sausage and cheesemaking production took part in it. This conference was useful both for employees of the Ministry and for the foremen. The participants adopted a Statement, which contained an appeal to all people working in the meat and dairy industry to undertake broader socialist competition for successful completion of the 11th Five-Year Plan, a further increase in production, improving the quality of output, and greeting the 27th party congress in a worthy manner.

The conference with the best foremen was also useful in that it helped identify difficulties being experienced by labor collectives in resolving the problems of further increasing the production of meat and dairy products and raising their nutritional and biological value. The problems which must be solved by employees of the USSR Ministry and republic ministries were revealed even more vividly. This refers first of all to the matters of more fully supplying enterprises with equipment, spare parts, monitoring-measuring instruments, packaging, and auxiliary materials. To solve the problems facing the industry as quickly as possible we must more actively study, generalize, and disseminate progressive know-how, introduce the brigade form of labor organization with cost accounting, and improve personnel training and retraining -- all these things will ultimately lead to an increase in the efficiency of production and accomplishment of maximal final results with minimum expenditures.

Inspections show that the accountability of the production-veterinary control divisions [OPVK's] and production laboratories for the quality of output produced has decreased at many enterprises.

The fact that a significant amount of output at enterprises of the meat and dairy industry is rejected as inferior by the State Trade Inspectorate after it has been checked by OPVK and laboratory personnel illustrates the lack of proper principle in these personnel and their low-level of militance.

We should observe that some enterprise managers do not always support the OPVK and laboratory in cases where these divisions impose a ban on producing low-quality output. Such an attitude is evidence of failure to understand the important functions of departmental control.

Plant quality control personnel are the manager's first assistants in putting production in order. Therefore, they must be given a larger role in the struggle to raise the quality of output being produced and they should always be helped and supported in raising the standards demanded of brigade leaders, foremen, shop chiefs, and other personnel on whom observance of technological and sanitary discipline primarily depends.

Steadily improving the economic mechanism demands a precise delineation of the duties and responsibility of each working person.

The director of an association or enterprise organizes the production-economic activity of the collective, which aims at achieving high final results. To a significant degree, success in this work depends on the foreman, his initiative, professional skills, and ability to work with people.

About 3,000 cheesemaking foremen are employed at dairy industry enterprises. They constitute a large production force. But experience shows that some of them do not insure production of high-quality output. There are several reasons for this: some do not have the essential professional training or adequate work experience, while others do not assume the proper attitude of responsibility toward their assigned job or, because of poor organization of production, spend most of their working time engaged in outside functions.

The decree of the CPSU Central Committee and USSR Council of Ministers entitled "Measures to Further Enhance the Role of the Foreman of the Production Section at Industrial Enterprises and Construction Organizations" stresses the role of the foreman as organizer of the production process, political indoctrinator of the collective, and active disseminator of party policy. In order for foremen to be able to perform these tasks, enterprise and association managers must see that they are given the necessary conditions for highly productive work and freed of outside supply and other functions, focusing their attention mainly on increasing production and improving the quality of output. It is also very important to study progressive know-how more thoroughly, introduce it more broadly, and make it the property of every collective in the dairy industry.

The party Central Committee recently discussed the work of the USSR Ministry of Meat and Dairy Industry to produce meat and dairy products with improved nutritional and biological value and improve their quality and assortment. The decree adopted drew attention to serious shortcomings that exist in this work. On 14 March of this year the Ministry board of directors, having reviewed this question, observed, among other things, that the condition and level of work to increase the production of dairy products with fruit-berry filling and vitamins, butter with proteins and vegetable fats, and ice cream with aromatic agents and to improve their quality and refine the assortment do not meet the demands of the May 1982 Plenum of the CPSU Central Committee, and that existing reserves and opportunities are not being fully used.

The board obligated the USSR and republic ministries of meat and dairy industry, the all-Union industrial associations and other organizations to increase the production of dairy products with enhanced nutritional and biological value on the basis of existing reserves and opportunities and to consider the following to be the most important challenges to be met in 1985, in the 12th Five-Year Plan, and in subsequent years: deep processing of raw materials and surpassing development of the production of dairy products enriched with animal and vegetable proteins and of sour-milk drinks, processed cheeses, ice cream, and other items with fruit-berry filling and vitamins.

The Ministry has issued an order that establishes assignments for production of meat and dairy products with enhanced nutritional and biological value in 1985, 1986, and 1990 and ratified a corresponding program of measures. All enterprise managers in the sector must take a more responsible attitude toward fulfillment of the set assignments and more actively summarize and disseminate the know-how of progressive production collectives who consistently produce high-quality output and process raw materials thoroughly for food purposes.

It is essential for each enterprise, as quickly as possible, to identify and analyze the reasons for production of poor-quality output, work out specific

organizational-technical measures to eliminate them at definite times, and establish the persons responsible for this. In addition, each enterprise should set up a quality commission on a permanently operating basis. It should include representatives of local Soviets of Peoples Deputies, health and trade organs, and State Standards laboratories, and will regularly evaluate the quality of the output being produced. The recommendations of the commissions should be carried out by the enterprise management on a mandatory basis.

Training in progressive methods and procedures should be organized for all people working at cheesemaking plants, especially young people and in particular new workers. In addition, it is necessary to do everything possible to develop and encourage tutoring, stiffen requirements for precise observance of technological instructions and sanitary conditions, and in dealing with indifferent and undisciplined personnel apply the measures set forth in the statute on material responsibility of workers and employees for damage connected with the production of poor-quality output according to the Law on Labor Collectives.

Fulfillment of the tasks standing before the industry depends decisively on the collectives themselves, and therefore the Ministry assigns paramount importance to training and retraining personnel, first of all foremen.

The 19 February 1985 order of the USSR Ministry of Meat and Dairy Industry envisions opening new schools of progressive know-how in 1985 to broaden and step up this work.

Before the end of the year 2,700 cheesemaking foremen are to be retrained. For this purpose, 36 dairy industry enterprises have been ratified as base enterprises, and their managers will have to do a great deal of important organizational work. First of all they must resolve all housing-domestic problems and create good conditions for study and creative labor by foremen. During the training period the people responsible for organizing classes must be freed of other duties. A list of teachers to conduct theoretical and practical classes must be established and the questions of payment decided in conformity with established procedures.

Teachers at specialized VUZes, vocational-technical schools, sectorial tekhniums, and training combines and associates at scientific research institutes must give the necessary assistance in carrying out steps to retrain the foremen.

The Ministry attaches very great importance to organizing retraining for foremen, because this is directly linked to improving the quality of the output produced. Production managers should do everything possible to carry out this important measure successfully.

Our country has entered the last year of the 11th Five-Year Plan, the period of active preparations for the 27th CPSU Congress, the 40th anniversary of the Victory of the Soviet people in the Great Patriotic War, and the five-year plan of the Stakhanovite movement. The working people of the meat and dairy industry must perform the great tasks which face them in the last year of the 11th Five-Year Plan with honor and lay the foundations for fulfillment of the assignments of the 12th Five-Year Plan.

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FOOD PROCESSING AND DISTRIBUTION

READERS, OFFICIALS COMMENT ON MEAT SPOILAGE PROBLEMS

Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 26 Jul 85 p 2

[Article by A. Komarovskyy, Letters Editor: "Once Again About The Loss of Meat in Transit: A Survey of Readers' Letters and Official Responses to Critical Articles in the Newspaper"]

[Text] "Do we save it or write it off?--that was the title of an article published in SOTSIALISTICHESKAYA INDUSTRIYA on 19 October 1983. The subject was major meat losses during transport. The main problem turned out to be that neither the transporter nor the supplier (MINMYACOMOLPROM USSR [Ministry of the Meat and Dairy Industry]) paid any attention to preserving the meat during transit. There was no official response to the articles, and the newspaper returned to the theme in correspondence: "Once again: Do we save it or write it off?" (5 January 1985)

The publication elicited a large amount of reader mail. "I cannot calm down, I cannot find the words to express my indignation at the irresponsible attitude toward business taken by the MPS Chief of the Freight Main Administration L. Matyukhin, who, judging from his conversation with your correspondent, does not intend to lift a finger to stop theft and spoilage of meat in transit." So writes A. Zelinsky, veteran of war and labor from Kalinin. "The thing is that meat losses ruin the hard work of millions of people and leave the store counters insufficiently stocked. Where is the transport organizer's civic conscience, not to mention their party conscience?" echoed A. Bogdan from Kuznetsovsk (Rovno oblast). Many of our readers--including Moscow veteran of war and labor V. Dzegilevich, candidate of chemical sciences, V. Vulfson from Leningrad, V. Smesov from Egorevsk (Moscow oblast), L. Levlasov from Orel, R. Fedchenko from Tolyatta, I. Mikhailov from Magnitogorsk, and P. Tereshchenkov from Smolensk oblast--demanded that the problems in transporting meat and other foodstuffs be straightened out immediately.

But these are all the opinions of people who are not professionally involved with the problem. Actual specialists, who responded in greater numbers, spoke from personal knowledge of the business. However, in most cases they also echoed their departmental positions.

Railroad men, particularly those working in the refrigeration sections, reacted sharply to the newspaper article.

"We were outraged by the totality of the accusations," writes N. Pluzhnikov, chief of the refrigeration section (North Caucasus Railroad). "This could probably be called a slur on the honor of the uniform. Of course, railway workers' uniforms are not spotless, and much needs to be done to clean them up. But to blame rail workers for the loss of 2.5 million kilograms of meat a year--that's too much!" The majority of letters from railroad workers asked that they not all be blamed for the actions of a few. The editors agree with this. But how can we tell who is guilty and who is not when no one accepts responsibility for the collective losses?

In the main, though by no means unanimously, refrigeration workers resisted accepting full responsibility for the preservation of meat in transit, even when pay rates are raised accordingly. They also opposed a proposal to include a representative of the recipient, MINMYACOMOLPROM, in the personnel of the refrigeration brigades. This is motivated, for one, by the heavy maintenance burden refrigerator workers bear (M. Kapuza from Fastov), for another, by the psychological incompatibility of outside monitors (B. Koren from Tikhoretsk), for a third, by the special difficulties that are deliberately created by the shippers and receivers of meat products (G. Tolstushenko, Sidarinskaya station).

And, frankly, there is some truth in all these reasons. But the refrigeration crews flatly refuse to consider innovations, and many of the problems (old, unbalanced scales at the shipping and receiving end, shipping inadequately frozen meat and then allowing it to stand in transit for a month or more, etc.) result from the transporter's indifference to his cargo and his inattention to detail.

However, among the rail workers who write letters, there were quite a few who shared the state's concern with this question and who saw no overwhelming obstacles in solving the problem. For example, railway engineers V. Biryukov and A. Kozak from Krasny Luch (Voroshilovgrad oblast) write: "We believe that the refrigeration brigades must receive the freight, safeguard it to its destination and hand it over to the receivers in such a way that the thread of personal responsibility for preserving the meat and meat products is not broken."

Clearly, the second proposal made in the publications--that refrigeration brigades be staffed by special receiving and shipping personnel--is not so unacceptable. Section Chief V. Ploskonosova from Sverdlovsk, for example, is not at all afraid of the infamous "barrier of incompatibility" which kept MPC workers from taking such a compromise step.

Having said all this, is it clear whether or not it is necessary to link meat shipping and receiving with personal responsibility for preserving the product? Hundreds of administrative personnel and specialists and workers in meat production have sent letters to the editor, and they overwhelmingly agree on one thing: without such responsibility there is no way to avoid huge losses. Irresponsible movers, they believe, allow losses all along the line: during loading, in transit, and--especially--unloading the meat.

"Under the present system of irresponsibility for freight in transit," says V. Kvidan, senior legal advisor to the Vinitsky meat combine, "the receiver can declare any shortage he wants, and tons of produce can be plundered." And he tells a veritable detective story. The combine sent a shipment of tinned meat to Tbilisi, and the transit was carefully controlled. Nevertheless the user soon sent a telegram reporting a shortage of 18 cases (432 tins). The author of the letter traveled to the site and established without difficulty that many irregularities had occurred as the cargo was unloaded. Nonetheless the combine had to pay for the alleged shortages. Having learned from bitter experience, the Vinitsky canners took the utmost precaution in subsequently sending to the same consumer a shipment of stewed beef: the freight cars contents were verified and confirmed by a special commission that included workers from the OBKhS [Department for combating the embezzlement of socialist property and speculation] and the peoples' control. But it didn't help; shortly thereafter the receiver pretended to have a shortage of 720 cans....

Many people, including Deputy Minister of Meat and Milk Production of the Ukrainian SSR N. Solomchuk, director of the Tartusky meat combine (Estonia SSR) I. Ulp; general director of the Eastern Kazakhstan regional meat combine A. Neeshkhlebov; deputy director of the Slonimsk meat combine (Byelorussian SSR) M. Belkin; director of the Panevezhsky meat combine (Litovsky SSR) P. Pashkauskas; acting director of the Kustanaisky meat combine A. Burnashov; and I. Rimmel, I. Agabush, and A. Saluste, director, party bureau secretary and union representative respectively, of the Vikhmasky meat combine--all have written to the editors about misunderstandings arising from meat shipments and caused by breaks in the chain of responsibility for preserving the meat. Their letter confirm that the problem is serious; that losses of meat and meat products during rail transport are widespread and curbing them is an important government task.

How is the Ministry of Railways, who must be chiefly responsible for solving it, reacting to this vital problem? Ministry employees have so far not responded to the newspaper article. True, recently the head of the main container transport and commercial work administration of MPS, D. Glebov, sent the following official response to the editors: "The question of assigning responsibility for the care of meat to the refrigeration brigades has been studied and widely discussed in all refrigeration depots and declared infeasible...." Declared infeasible by whom? Those who don't want to take responsibility? You don't settle these problems by a vote!

The USSR Ministry of Meat and Milk Production also stated their official position: "We share the concern of the authors of the articles over the abnormal situation which has developed with respect to the preservation of meat and meat products during rail shipments," the official reply says. "We have repeatedly tried to change the existing situation, but because of MPS' approach to the problem we have, unfortunately not been able to resolve the problem. After the appearance of the article in SOTSIALISTICHESKAYA INDUSTRIYA the ministry again proposed to MPS that the railways assume responsibility for the acceptance of meat and meat products from the shippers by weight and

number of items. It was proposed that experienced transport men be attached to the refrigeration brigades to monitor loading and unloading of meat at the stations. At the same time our ministry agreed to provide MPS with the necessary funds for wages and manpower. The Ministry of Railways declined the offer."

So, partners, argue to your satisfaction, wash your hands of the matter, but the chain of responsibility for preserving meat products remains broken.

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